

# BULLETIN

OF THE

## NATIONAL ASSOCIATION OF CREDIT MEN.

PUBLISHED MONTHLY BY

CHAS. E. MEEK, SECRETARY-TREASURER,

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# FORT WORTH, TEXAS.

American Mfg. Co.....	Ernest Boaz
Brown Cracker and Candy Co.....	J. A. Durway
Burroughs Adding Machine Co.....	M. L. Stith
Burrus Mill and Elevator Co.....	H. C. Jackson
Busch, August, Brewing Co.....	Geo. Deihl
Coleman-Lysaght-Blair Co.....	J. C. Berney
Combs, R. C.....	
Cowley-Foster Lumber Co.....	J. D. Cowley
Davis, F. A.....	
Ellison Furniture Co.....	T. B. Ellison
Eppstein, L., & Co.....	Milton Eppstein
Ford & Isbell.....	A. C. Ford
Fort Worth Furniture Co.....	Hal. Sellars
Fort Worth Heavy Hdw. Co.....	Geo. E. White
Fort Worth Macaroni Co.....	A. Bicochi
Hartnett, C. D., Co.....	C. D. Hartnett
Hub Furniture Co.....	W. E. Austin
James, T. R., & Sons.....	Wm. James
Kindel-Clark Drug Co.....	James A. Walkup
Lea Seed and Produce Co.....	Addison Lea
Lipshitz, Meyer & Son.....	Louis Lipshitz
Lowe-Carter Hdw. Co.....	R. S. Lowe
Pacific Mutual Life Ins. Co.....	R. T. Stewart
Paxton & Evans.....	M. D. Evans
Peak, Howard W., Co.....	Howard W. Peak
Progressive Printing Co.....	Don A. Cowan
Rosenbaum, J., Grain Co.....	G. C. Mountcastle
Ross & Heyer.....	O. H. Ross
State National Bank.....	Guin Williams
Stock Yards National Bank.....	George W. Armstrong
Stonestreet & Davis.....	J. D. Davis
Terrell Wholesale Grocery Co.....	W. E. Craddock
Texas Brewing Co.....	Jack Weeden
Texas Cigar Co.....	H. T. Reynolds
Texas Mfg. Co.....	A. J. Butler
Texas Overall Co.....	Burney Miller
Western National Bank.....	Rufus Coy
Western Produce Co.....	R. L. Cox
Wilcockson, George H.....	

## HIGH POINT, N. C.

Tomlinson Chair Mfg. Co.....	C. F. Tomlinson, Sec'y-Treas.
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## INDIANAPOLIS, IND.

Bour, J. M. Co., The.....	E. L. Rundel, Mgr.
Columbia National Bank.....	W. F. C. Golt, Cash.
Credit Clearing House.....	A. M. Ray, Mgr.
Fairbanks, Morse & Co.....	E. V. Abbott
Fletcher National Bank.....	W. A. Hughes, Vice-Pres.
Heinz, H. J., Co.....	N. G. Woodside, Mgr.
Keach, J. L.....	
Standard Paper Co.....	A. M. Rosenthal
Western Furniture Co., The.....	Charles Fearnought

# JACKSONVILLE, FLA.

Drew, H. & W. B., Co.....H. Drew, Pres.  
 Jacksonville Coca-Cola Bottling Co., The.F. N. Stormont, Sec'y-Treas.  
 Johnson, W. B., Co., The.....James Lauter, Vice-Pres.  
 Ploof, H. E., Machine Co.....H. E. Ploof, Pres.  
 Sanders Fertilizer Co.....G. W. Sanders, Pres.  
 Southern Drug Mfg. Co.....E. T. Rigner, Pres.

# KANSAS CITY, MO.

McCarren Millinery Co.....C. A. McCarren

# LOUISVILLE, KY.

Altsheler & Co.....Daniel Altsheler  
 Bagby-Howe Drug Co.....R. A. Bagby  
 Clark, Jas., Jr., El. Co.....J. Clark, Jr.  
 Conners, Chas. H., & Co.....J. S. Conners  
 Fidelity Trust Co.....John T. Malone  
 Franklin Bank.....John Woods  
 Galt House.....Geo. T. Cross  
 Gem Mfg. Co.....M. Lang  
 German Bank.....P. Viglini  
 Gray Paper Box Co., The.....H. O. Gray  
 Hite, W. W., & Co.....E. S. Brewster  
 Kentucky Title Co.....E. L. Swearingen  
 Kentucky Veneer Works.....H. M. McCracken  
 Klein & Grossman.....Samuel Klein  
 Kuhn Pants Mfg. Co.....A. J. Kuhn  
 Langley, Harry L.....  
 Levi Furniture Co.....Jos. Wolf  
 Louisville Cloak and Suit Co.....C. R. O'Brien  
 Louisville Clothing Co.....M. R. Harned  
 Louisville Coll. and Rep. Co.....D. P. Vanarsdale  
 Louisville Paper Co.....Chas. A. Jensen  
 Louisville Trust Co.....H. V. Loving  
 McElroy-Shannon Bed Co.....W. Shannon  
 Norton & Curd Coffee Co.....J. J. Norton  
 Office Supply Co.....Thos. B. Morton  
 Ox Breeches Co.....A. Levy  
 Reutlinger & Miller.....Albert Reutlinger  
 Ruthenburg, R. ....  
 Schildt, Herman A., & Co.....Herman A. Schildt  
 Schulten, John J., & Co.....A. J. Schulten  
 Shapinsky, Julius.....  
 Shuttleworth Clothing Co.....L. Levy  
 Standard Furnace and Range Co.....Louis G. Gutermuth  
 Thatcher, Gifford & Steinfeld.....  
 Utica Lime Co.....John L. Wheat

# MEMPHIS, TENN.

Broadnax, George T., Inc.....W. W. Dupree  
 Clifton Nail and Supply Co.....L. Eaton  
 Commercial Trust and Savings Bank.....D. M. Armstrong  
 Dillard & Coffin Co.....Paul Dillard  
 Dixon, H. W., & Co.....H. W. Dixon  
 First National Bank.....J. A. Omberg

Fisher, D. A.....	A. D. Gibson
Gibson, A. D., & Son.....	A. D. Gibson
Hirsh, Goodman & Alban.....	J. A. Humphreys
Humphreys, Cannon & Co.....	A. H. Thoda
James & Graham Wagon Co.....	
Leathem, Ewing & Jackson.....	
Lebovitz, S.....	
Malone & Hyde .....	H. G. Street
Memphis Electric Co.....	J. A. McAlister
Memphis Sash and Door Co.....	W. P. Miller
Miller, Smith & McNeill.....	H. Morris
Morris, H., & Bro.....	J. A. Nevils
Nevils, J. A., Commission Co.....	W. F. Bailey
North Memphis Savings Bank.....	E. A. Pettingill
Pettingill-Flowers Adv. Co.....	V. P. Philippi
Philippi-Wishart Co.....	John M. Ray
Ray, John M., Suspender Co.....	H. H. Crosby
Reichman-Crosby Co.....	
Schilling, H. J.....	A. Simon
Simon, A., & Bro.....	J. C. Jacobus
Snow, Church & Co.....	John R. Staten
Taylor, A. R., & Co.....	H. H. Maury
Webb & Maury .....	
Wilson, Julian C.....	

#### MINNEAPOLIS, MINN.

Filbert-Fuller Coffee Co.....	R. B. Robinson
Northern Rock Island Plow Co.....	A. Severson
N. W. Glass Co.....	E. C. Kischel

#### NEWARK, N. J.

Essex Press .....	H. M. Friend
Lewis, I., & Co.....	Harry Lewis
Murphy Varnish Co.....	John J. Nicholson
Pfaff & Kendall.....	Henry C. Pfaff
Spies, Philip .....	
Standard Oil Co.....	Wilfred E. Bacon
Sterling, Frank A., & Son.....	F. A. Sterling

#### NEW ORLEANS, LA.

German-American National Bank.....	W. W. Bauden, Cash.
Keasbey & Mattison Co.....	A. L. Landry, Mgr.
Kohlman, I. ....	E. D. Kohlman
Louisiana Clothing Co. ....	J. Sternberg, Prop.
N. O. National Bank.....	A. Baldwin, Jr.
Revere Rubber Co.....	Robt. Bensberg, Mgr.
Stewart Bros., & Co.....	John N. Stewart

#### NEW YORK, N. Y.

Bibas & Eisenstaedt .....	Edgar S. Bibas
Continental Insurance Co.....	Henry Evans, Pres.
Edison Portland Cement Co., The.....	William E. Horne
Locke & Clarke Co.....	J. T. Smith
Mutual Alliance Trust Co., The.....	W. F. H. Koelsch, Sec'y-Treas.
Sloane, W. & J.....	Edwin B. Heyes
Zahner & Schiess Co.....	W. E. Edmondson



# NORFOLK, VA.

Barksdale & Co.	E. R. Barksdale
Bass & Co., J. E.	J. E. Bass
Bradstreet Co., The	C. W. Todd, Manager
Citizens' Bank, The	T. F. Tilghman, Cashier
Clarke & Co., Frank T.	Frank T. Clarke
De Haven-Dawson Co., Inc., The	G. R. Dawson
Dodson-Fearing-Miller Co.	W. G. Fearing
Dun & Co., R. G.	F. J. Winkler, Mgr.
Farrant & Co., J. L.	W. B. Farrant
Four Co., Inc., The	Chas. Hoofnagle
Garrett & Co.	Paul Garrett
Gwaltney & Co., J. M.	J. M. Gwaltney
Hampton Roads Paper Co.	W. F. Robertson
Harris-Woodson Co., Inc.	H. G. Barbee
Hecht-Hirschler Co., The	E. Hirschler
Hobbs & Co., F. H.	F. H. Hobbs
Knadler & Lucas	W. B. Lucas
Marbury-Pegram Co., Inc.	J. E. McCraw
Mercantile Bank, The	R. E. Thompson, Cashier
Nash, C. A., & Son	Frank Stras
National Bank of Commerce, The	H. N. Kerr, Cashier
Norfolk National Bank	Caldwell Hardy, Pres.
Oberndorfer Co., Inc.	J. N. McBride
Old Dominion Tobacco Co.	C. L. Conratt
Pincus & Co., Max	Max Pincus
Roper Lumber Co., John L.	W. B. Roper
Royster Guano Co., F. S.	W. Mc. R. Smith
Scott & Co.	Arthur S. Wilkins
Seaboard Bank	G. Serpell, Pres.
Southern Drug Co.	A. H. Mowry
Southgate & Co., T. S.	T. S. Southgate
Upton & Co., L. J.	L. J. Upton
Virginia-Carolina Supply Co.	A. A. Tomlinson
Walke Co., Henry, The	H. W. Seabury
Whichard Bros. Co., Inc.	C. L. Whichard
Williams, Martin & Gray	Geo. T. Gray

# OKLAHOMA CITY, OKLA.

City State Bank	W. J. Thompson, Pres.
International Harvester Co. of America	Hugh Donley, Mgr.
Oklahoma Refining Co.	W. T. Todd
Plansifter Milling Co.	C. N. Connellee
Water Witch Mfg. Co.	E. J. Turnbull, Mgr.
Wright, W. D., Produce Co.	W. D. Wright

# OMAHA, NEB.

National Refining Co.	W. H. Moran
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# PHILADELPHIA, PA.

Bornot, A. F., Bro. & Co.	A. F. Bornot
Dodge Mfg. Co., The	Eugene S. Grant
Ford & Kendig Co.	Edward H. Weeks, Treas.
Loos & Dilworth	Ernest B. Kemble
Milne, C. J., & Sons	Caleb J. Milne, Jr.

# PITTSBURGH, PA.

American Bank Note Co.....	H. D. Hamilton
Bailey & Thompson Co.....	W. J. Bailey
Best Mfg. Co.....	Edward Oberndorf
Bier & Strauss.....	
Brown & Zortman Machine Co.....	H. M. Williams
Cluett, Peabody & Co.....	E. E. Bartleson
Cluett, Peabody & Co.....	E. E. Rankin
Colonial Trust Co.....	J. C. Chaplin
Columbia Shade Cloth Co.....	C. V. Rice
Dodge Mfg. Co.....	T. L. Rose
Eyler & Henry.....	James W. Henry
Finegold, L., Co.....	
Kier Fire Brick Co.....	P. S. Kier
Landau Bros.....	S. J. Landau
Laughlin, Homer, China Co., The.....	W. E. Wells
Lincoln National Bank.....	H. A. Johnston
McClintock & Irvine Co., The.....	Sam'l Irvine
Moore, Lee C., & Co.....	Clarence E. Swanson
Oliver Iron and Steel Co.....	R. Theophilus
Pittsburgh Rubber and Leather Co.....	J. W. Paul
Ringwalt H. L.....	
Sands-Ritchey Co.....	Emery P. Sands
Schwarz, Adolph M.....	Samuel Berenbaum
Standard Chain Co.....	Stanley Mann
Superior Steel Co.....	J. F. Hedges
Tapolsky, M., Son & Co.....	Harry Tapolsky
Tate-Jones & Co., Inc.....	J. B. Nicholas
Zeman & Collins Shoe Co.....	A. M. Collins

# PORTLAND, ORE.

Armour & Co.....	J. R. Thompson
Bushong & Co.....	A. V. Wells
Graton & Knight Mfg. Co.....	H. H. Haskell
Hartmann & Thompson.....	Chas. T. Hughes
Hertsche Bros. ....	E. A. Hertsche
Hicks, S. B., & Sons .....	C. E. Johnston
Ideal Candy Co.....	H. H. Brigham
Nott-Davis Co.....	W. M. Miller
Olds, Wortman & King.....	Grant C. Brame
Roebliing's, John A., Sons Co.....	Fred. B. Stewart
Sherman-Clay Co.....	J. H. Dundore
Stettler, F. C.....	

# ST. JOSEPH, MO.

Brady, J. B., Carpet Co.....	H. G. Williams
Stewart Bros. ....	J. Tushans
Tootle-Campbell D. G. Co.....	C. R. Bernard
Westheimer, Ferdinand, & Sons.....	B. P. Miles

# ST. LOUIS, MO.

Evans & Howard Fire Brick Co.....	F. M. Lansing, Cash.
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# ST. PAUL, MINN.

Aberle, Daniel, & Sons.....	E. M. Aberle
Bazille & Partridge.....	J. A. Bazille

Booth, A., & Co.....	L. P. Hogstad
Frankel, Regenthal & Damler.....	Fred. W. Damler
Griggs & Co.....	L. M. Paschall
Michaud Bros. ....	Philip Burgon
Northwestern Coffee and Spice Co.....	G. A. Cariveau
Robinson, Strauss & Co.....	A. W. Ritzinger
St. Paul Show Case Co.....	F. Van Duyne
St. Paul Trunk and Bag Co.....	Geo. O. Coffey

#### SALT LAKE CITY, UTAH.

Clark & Rose .....	Mr. Clark
Eite, R., Candy Co.....	Mr. Achurch
Fairbanks, Morse & Co.....	Mr. Dedkind
First National Bank .....	Mr. Pingree
Logan Glove and Tanning Co.....	
McCornick & Co., Bankers.....	Josiah Barnett
McMillen, B. A., Co.....	B. A. McMillen
Murphy Bros. Candy Co.....	Bird Murphy
Ogden Overall and Shirt Co.....	
Ogden Packing Co.....	
Peery Bros. Milling Co.....	
Porter-Walton Co. ....	Mr. Porter
Salt Lake and Jordan Mill and Elevator Co.....	
Scoville Paper Co. ....	
Smith-Bailey Drug Co.....	F. L. Pearl
Utah El. Horseradish Co.....	
Utah National Bank .....	
Walker Brothers Bank .....	
Weil Jewelry Co.....	

#### SHEBOYGAN, WIS.

Dillingham Mfg. Co.....	O. H. Clark, Treas.
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#### SHREVEPORT, LA.

Lee Hdw. Co., Ltd., The.....	L. C. Best
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#### SPOKANE, WASH.

Syphers Machine Co., The.....	L. F. Boothe, Pres.
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#### TOLEDO, OHIO.

Deckelman, John C.....	
Leroux Cider and Vinegar Co, The.....	C. S. Wise
United Baking Co., The.....	Wade D. Holland
Van Derbeck, Geo. A.....	

#### WABASH, IND.

Pioneer Hat Works.....	R. N. Howell
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#### YOUNGSTOWN, OHIO.

Canfield Milling Co., The.....	Canfield, Ohio
Fisher, E., & Sons Co.....	

The Fargo Association of Credit Men, with thirty-one members, has become affiliated with the National Association of Credit Men. The officers are: president, Nelson A. Burdick, of Hall-Robertson Hardware Co.; vice-president, J. W. McHose, of McHose & Pardoe; secretary and treasurer, C. H. Barber, of The Porte Co.

### Notes.

An official list of the affiliated branches of the National Association of Credit Men is published monthly in the "Bulletin." The Association is not connected directly or indirectly with any association, institution or corporation whose name does not appear in the official roster.

Members of the National Association of Credit Men who have had dealings with the Sprague Mercantile Agency of Chicago, Consolidated Adjustment Co. of Chicago, or Barr & Widen Mercantile Agency, St. Louis, are requested to report the result of the same to the National office.

Members of the National Association of Credit Men are warned against entering into contracts with concerns soliciting bad and doubtful accounts for collection without first communicating with the Secretary of the Association or the Secretary of any affiliated branch. Under no circumstances should members pay fees in advance for services to be rendered in connection with the collection of such accounts.

F. Whittlesey has resigned from the secretaryship of the Buffalo Credit Men's Association.

The office of the Detroit Credit Men's Association is now located at 610 Moffat Building, Detroit.

The members of the Credit Men's Association of Atlanta are organizing a bureau of credit information.

E. M. Underwood, the secretary of the Portland Association of Credit Men, has been made treasurer of the Failing-McCalman Co., successor of Failing, Haines & McCalman.

L. W. French, formerly of French, Finch & Henry, has been made the manager of the Northwestern Jobbers' Credit Bureau of St. Paul, succeeding F. H. Suffel, resigned.

The local Bulletin of the Philadelphia association for July contains a brief report of the doings at the convention submitted by the Philadelphia delegates to the members of their association.

The Adjustment Bureau of the Cleveland Association of Credit Men has been compelled by its increasing volume of business to move into larger quarters. Its new address is 505-506 Chamber of Commerce Building.

W. E. Edmondson formerly manager of credits and collections with Locke & Altherr, became manager of the same departments on July 1st, for the New York office of the Swiss embroidery house, Zahner & Schiess Co.

H. M. Wolfe, recently assistant cashier of the Fourth National Bank of New York in charge of the credit department, has been made a vice-president of the Corn Exchange Bank of New York.

The Des Moines Credit Men's Association held its annual meeting July 14, and elected H. F. Shepherd, of Iowa Drug Co., president and Charles R. Cownie, of the J. H. Cownie Glove Co., vice-president.

W. R. King, of Wm. R. Moore Dry Goods Co., has undertaken the chairmanship of the Membership Committee of the Memphis Credit Men's Association. The Committee has outlined a campaign which it feels will do much to upbuild the association.

The Newark Association of Credit Men has completed the organization of its Adjustment Bureau by the appointment of Harry V. Osborne as manager. The Bureau may be addressed at 164 Market Street, Newark, N. J.

The National office had the pleasure during the past month of calls from W. H. Lyon, of Cady-Iverson Shoe Co., Cleveland, J. W. Spangler, Jr., of Dexter Horton & Co., Bankers, Seattle, and W. J. McMillan, of N. K. Fairbank Co., Chicago.

Wm. A. Prendergast, formerly secretary-treasurer of the National Association of Credit Men was, upon the reorganization of the old Brooklyn Bank, made a director of that institution. Mr. Prendergast is also a director of the Home Trust Company of Brooklyn.

W. J. Donlan has retired from the office of secretary of the Savannah Credit Men's Association and has been succeeded by C. E. Allen of the Credit Clearing House. Mr. Donlan resigned because the pressure of other business made it impossible to attend properly to his secretarial duties.

C. R. Bernard, formerly credit manager for John S. Brittain Dry Goods Company of St. Joseph, Missouri, has become secretary at the head of the credit and collection department of the newly organized house, Tootle-Campbell Dry Goods Co. of the same city. Mr. Bernard is succeeded in the first named concern by W. H. Seymour.

The office of the Denver Credit Men's Association desires to know the names of the owners of two overcoats which were left in the Moffat railway train June 25. Also, the same office has been asked to locate, if possible, a lady's raincoat which was lost on the same day. Communications may be addressed to H. A. C. Mathew, Assistant Secretary, 407-8 Sugar Building, Denver.

The Commercial Law League of America holds its annual convention this year at Grand Hotel, Mackinac Island, August 10 to 15. One of the important subjects before the convention is the Adjustment Bureaus of the National Association of Credit Men and their affect upon the business of the commercial lawyer.

At the annual meeting of the Portland Association of Credit Men, held July 15, the following officers were elected: E. E. Tressler, of the Simonds Mfg. Co., president; H. K. Arnold, of Blumauer-Frank Drug Co., vice-president; E. M. Underwood, of Failing-McCalman Co., secretary and John A. Keating, of Bankers and Lumbermens Bank, treasurer.

Supplement No. 2 of the pamphlet "Laws Regulating the Sale of Stocks of Goods in Bulk" containing the recently enacted Ohio and Mississippi laws and the amended laws of Maryland and Oklahoma will soon be ready for distribution. All members are invited to bring their files of these laws of the various states up-to-date by sending for this supplement.

The National office received from the Portland (Ore.) Rose Festival Association an invitation to the annual June Rose Carnival. Portland so abounds in roses, and that "queen of flowers" develops such perfection there, that its Rose Festival has become justly famous. It is made a time of novel entertainment, good fellowship and warm-hearted hospitality by all Portland citizens.

The Chicago Credit Men's Association held its annual meeting May 20, electing the following as its officers for one year: S. J. Whitlock, of Belding Bros. & Co., president; Henry Fornoff, of Carson, Pirie, Scott & Co., first vice-president; R. M. Stewart, of R. P. Smith & Sons



Co., second vice-president; Wm. J. Lawlor, of First National Bank, treasurer, and John Griggs, secretary.

L. E. Ralston, a member of the Cleveland Association of Credit Men, is making a run for the office of Auditor of the County of Cuyahoga on the Republican ticket. Besides his many other qualifications for holding public office, the fact that Mr. Ralston is an expert accountant makes him particularly well equipped for performing the duties connected with the auditor's office.

The Cleveland Association of Credit Men is planning for a second outing trip for the summer season during the present month. The plan includes a trip to Detroit on the steamer City of Cleveland, leaving Cleveland at 8.30 A. M. and returning to arrive in Cleveland the following morning. The Membership Committee expects to make this excursion an opportunity of introducing several prospective members into the association.

F. H. Suffel, manager of the Northwestern Jobbers' Credit Bureau, operated by the Credit Men's Associations at Minneapolis and St. Paul, on account of the illness of his wife, whom he is to take to Europe for an indefinite stay, has found it necessary to resign. The committee in charge of the bureau regrets deeply that it is necessary for Mr. Suffel to withdraw from the service.

The mid-summer meeting of the Louisville Association took the form of an evening sail on the Ohio River July 20. Some of the guests were the Hon. Swager Sherley, Frank T. Day, of Indianapolis, and W. P. Peter, of Dallas. Mr. Sherley's address was filled with encouragement for the members to push forward between now and December 1 for the enactment of the bill amendatory to the National Bankruptcy Act.

There is evidently still a considerable portion of the membership which is unacquainted with the property statement form and trade inquiry blanks issued by the Association. Every member should at least know these forms so that he may determine their adaptability to his own business. Send to the National office for samples. Several hundred of the members use them, and probably several hundred more could use them to their advantage.

The National office is in receipt of a set of "The Trip Hammer," being an issue in five numbers published by members of the Cleveland Association of Credit Men enroute to Denver and Yellowstone Park. They are written, of course, in lighter vein and are the products of presses in Cleveland, Denver and Salt Lake City. All the pages are filled with fun, not excepting the poets' corner or the market reports and advertisements.

At the annual meeting of the Youngstown Credit Men's Association, held May 27, the following officers were elected: F. E. Hearn, of John H. Fitch Coffee Co., president; J. C. Leavitt, of the Leavitt & Milroy Co., vice-president; Charles R. Wilson, of Stambaugh-Thompson Co., treasurer, and W. C. McKain, secretary. Mr. McKain is also manager of the Adjustment Bureau, and the offices of both the bureau and association have been removed to 607 Stambaugh Building.

The Fire Insurance Committee of the Pittsburgh Association of Credit Men late in June issued a leaflet called the "Fourth of July Special," to be a reminder to merchants and manufacturers of what are the frequent causes of fire at all times, and especially during the "Independence Day" celebrations. The pamphlet contains those common-sense fire prevention laws known to everybody, but which business men, care-

ful in most things, are apt to overlook, sometimes to their own and others serious loss.

D. L. Sawyer, of Tibbs, Hutchings & Co., a member of the St. Paul Credit Men's Association, has accepted an invitation primarily as a representative of the National Association of Credit Men, to make an address before the National Association of Local Fire Insurance Agents at the convention to be held in St. Paul this month. The latter association has many points of common interest with the National Association of Credit Men in the improvement of insurance conditions and has been pronounced in the endorsement of the insurance work of the latter association.

J. W. Haney and Sons of Kenna, New Mexico, a concern bearing at one time a good reputation, had a fire during March last. One of the members of the National Association now makes the report that the partners, as soon as they had collected upon the insurance policies, took to flight without settling their accounts. Their hiding place is now sought by the creditors. Publicity is given to this case in order that the partners, if possible, may be located.

The National office recently received an invitation to send delegates to the meeting of the Committee on Commercial Law of the Commissioners on Uniform State Laws, to be held at Seattle, Wash., August 20-24, 1908. President Gettys has arranged to have the Association represented by members located at Seattle. The subjects this year will be "The Law of Bills of Lading" and "The Law of Certificates of Stock." The BULLETIN has frequently spoken of the excellent work being done through the persistent and patriotic efforts of this committee to put some uniformity into certain important classes of commercial law in the forty-six states of the Union.

The June BULLETIN contained an account of some remarkable note juggling in and around New York City, which finds a partial sequel in the conviction recently of two of the swindlers who were brought from cover, one being Henry Hauser, who was sentenced by Judge Foster, in the Court of General Sessions, to eleven years' imprisonment. Hauser had secured under false pretenses \$10,000 in notes of a Tompkinsville, S. I., grocer. Judge Foster also sentenced Regulus Shippey, sixty-two years old, to not less than one year or more than six years' imprisonment. Shippey had obtained \$5,000 in notes from the Delhi Silk Co., promising to have them discounted. He was once well-to-do, but recently has been a lodger in a Bowery lodging-house.

The Toledo Association of Credit Men has completed its arrangements for the exchange of ledger information. Under the system established, each subscriber to the bureau furnishes the secretary of the Toledo Association a list of his ledger accounts, and upon receiving an inquiry from a member regarding any name among these accounts, the secretary replies by giving a list of those members on whose ledgers the name in question appears, thus putting the inquiring member promptly into touch with those who have definite facts.

The thirty-fourth annual convention of the American Bankers' Association will be held in Denver, Colorado, during the week commencing September 28. It has become necessary to increase the number of days devoted to the convention because of the sections into which the business is divided, many members being interested in two or more sections. The sessions of the opening day will be devoted to the savings bank section and those on the second day to the trust company and clearing house sections. The balance of the convention will be devoted to interests of

the general banking section of the association. Reports of unusual interest for bankers and the general public are looked for.

There is evidently running through the Association a genuine disposition to grapple with questions of currency and banking which credit men are recognizing as basic in the extension of credit. The members feel, as was brought out by their Committee on Currency, that Congress will be unable to decide how to move in these problems as long as the people are in doubt what system of currency and banking will bring to them that soundness and adaptability to changing commercial conditions which will make impossible the repetition of such painful panics as that of last year. In order that the members may become acquainted with the solution offered by the last Congress the entire text of the Aldrich-Vreeland measure approved May 30, 1908, is printed in this issue of the BULLETIN.

Old Faithful Inn, Yellowstone Park, was made the scene of a very happy surprise given by the members of the Cleveland Credit Men's Yellowstone party to Mr. and Mrs. W. M. Pattison, to whose energy and able management the success and much of the pleasure of the Yellowstone trip was due. The representatives in the party from Alabama, Texas, Louisiana, Maryland, Pennsylvania, New York, Wisconsin, California and Virginia gave voice to their appreciation of Mr. Pattison's untiring efforts in behalf of the tourists, and Edward F. Sheffey, of Lynchburg, Va., at the conclusion of a very complimentary speech, presented to Mr. and Mrs. Pattison a silver loving cup in token of the united esteem and affection of the party.

The St. Louis Credit Men's Association has been actively working during the last six months to induce business men of high standing to seek legislative office and has sought in other ways to improve the Legislature of Missouri so that business legislation shall be better cared for. The result is that two strong business men have consented to be candidates this fall for the lower house of the legislature—Charles V. Anderson, of "The Drygoodsman," a Republican, and John G. Borreson, of Johansen Bros. Shoe Co., a Democrat. In a letter to the members regarding these candidates, issued by the St. Louis association, it is made clear that the association has no alliance with any party, but by all honorable means seeks to support the candidacy of able, honest and conscientious men irrespective of political faith.

Men CAN get along without reference books at the home and office, but if ever they are induced to adopt them, they cannot see how they ever did without such books. Those who are leaders in the work of the Credit Men's Associations are finding that their files of BULLETINS are indispensable, as they sum up so much of interest to credit men. For the convenience of keeping such files the National office provides a binder which can be had for \$1.50. The year 1907 was one of great activity in the Association, and there is a large number of members, especially among the officers and committeemen of affiliated branches, who would help themselves greatly in their work by having that year's BULLETINS in convenient form. The National office still has a few bound indexed copies at \$1 per volume.

The Grand Rapids Credit Men's Association made an especially hearty response in the spring to the call made by the Fire Insurance Committee to all the affiliated branches to devote a meeting to fire insurance problems as they relate to credit. The Grand Rapids meeting was held April 21st, with an unusually large attendance. The addresses were by leaders in fire and insurance matters of the state

of Michigan and taken together gave the members a remarkably good idea of protective measures, the insurance contract, its technicalities and defects, adjustments from the sides of the insurer and insured, and what the credit man can most effectively do to better conditions. All this material has been gathered together into the June bulletin issued by the Grand Rapids Association. The addresses deserve to be put into this permanent form.

The American Anti-Boycott Association, which to a very large extent owes its existence to Charles Biggs, who is well-known throughout the membership of the National Association of Credit Men, recently held its fifth annual meeting at the Waldorf-Astoria Hotel, New York City. F. R. Boocock, the secretary of the Anti-Boycott Association, who was the first secretary of the National Association of Credit Men, delivered an important address outlining the effective work which his association has in the last few years been doing to resist the purposes of organized labor illegally to boycott labor and products and thus interfere with individual freedom, security and privileges. In an eloquent address delivered by the Hon. John C. Spooner, the Anti-Boycott Association was enthusiastically named "A Liberty League."

The Adjustment Bureau of the Pittsburgh Association of Credit Men, during the four months ending May 1st, made a record showing increasing activity and steadily improving results for creditors. The bureau in that period had direct charge of twenty-two cases, fourteen of which were in bankruptcy and eight amicable adjustments. The average increase in dividends for creditors in bankruptcy cases was 6 4-10 per cent., and in amicable adjustments the average percentage of increase in dividends was 19 per cent. better on claims than the best returns in former years. This excellent record is partly due to the fact that the bureau has learned by experience how to reach those buyers of goods in bulk who have the facilities for handling stocks of bankrupts. The bureau is thus able to get as good prices as can be had for their merchandise. The better showing also comes from increasing co-operation on the part of credit men of Pittsburgh.

There is now a large number of concerns, whose business is mainly with the retailer, which are issuing monthly leaflets for distribution throughout their trade, having not only an advertising purpose but it is fair to say principally an educational purpose—the giving to the retailer of the point of view which comes from a wide knowledge of business. The latest leaflet which has come to the attention of the National office is "Nokomis Ginger, For Live Ones Only," issued by the grocery house, Stone-Ordean-Wells Co., Duluth, Minn. The July issue of "Ginger" aims to instruct the retailer with reference to principles employed by the credit man in determining when he shall extend or restrict credit. The writer is C. R. Rust, the credit manager of the house, who takes an active interest in the Credit Men's Association at Duluth. Mr. Rust shows the retailer how impossible are many of the propositions the credit man has presented to him and asks the retailer to sympathize with, rather than harshly criticize, the credit man in his analytical work.

The Pittsburgh Association of Credit Men through its executive committee passed the following resolutions expressive of the high regard which the members have for Grover Cleveland:

*"Resolved.* That the Pittsburgh Association of Credit Men, as a body of men banded together to promote business integrity, hereby express

their sense of loss in the death of Grover Cleveland; and their appreciation of his influence, which was at all times used toward the upholding of confidence and the fulfillment of obligations; whose advice was earnestly sought and carefully given on so many questions of moment to the business world; and whose private integrity, steadfastness and foresight, gave to his counsels a weight that made him in his capacity of private citizen and business man, a power in the nation.

"Resolved, That this resolution be entered on the records of the association and a copy be sent to the family of Mr. Cleveland."

The Memphis Credit Men's Association has just issued its first local bulletin. The first paragraph tells very ably in the following language what is the value of these local bulletins for the affiliated associations.

"The official organ of the Memphis Credit Men's Association makes its initial appearance as the direct result of a recommendation made at the May meeting of the Association, and in analyzing the thought that prompted such a suggestion, we find a desire upon the part of the officers and members to keep abreast of the times in Association work, and to take advantage of every opportunity for promoting that spirit of co-operation which has been so apparent in the results achieved by the Association, and which is so necessary to its continued success.

"It is believed that THE BULLETIN, furnishing items of local interest, will bring about a better and more complete realization of the work that is being done by the Association, as well as be convincing of the benefits that may be gotten from active participation in this work, and it is hoped that each and every member will lend his hearty and enthusiastic support."

#### **An Omission from the July Bulletin Corrected.**

In the report of the proceedings of the Denver Convention of the Association there was omitted through a regrettable oversight the interesting account of trade conditions in Rochester, N. Y., presented by Ira D. Kingsbury, of L. Adler Bros. & Co. It is, therefore, printed here and is as follows:

Rochester needs not to boast, but as something has been said with reference to the importance of other centres, I want to say that Rochester leads the world in the manufacture of photographic supplies, enameled tanks, buttons, woodworking machinery and paper box machinery; we have the largest coach and hearse factory in the world, and lead in sales of seeds and nursery stock.

Conditions in Rochester are, perhaps, somewhat different from those in the majority of business centres, for the reason that Rochester's trade is world-wide. It is largely a manufacturing city, and jobbing interests, while of considerable volume and necessarily quite local in character, do not affect the average condition of trade in Rochester.

The late panic affected us very slightly. In Rochester we do not know what a Clearing House certificate looks like. We never have had to use them. When you want cash, the banks always have it.

Our principal industry is clothing, the annual output of which is upwards of \$22,000,000. The year 1908 will be from 20 to 25 per cent. below 1907.

Our annual output of shoes is \$16,000,000. Manufacturing interests in this line are from 20 to 30 per cent. off; jobbing interests in shoes and rubber footwear report trade about 10 per cent. off, with every prospect of increased volume during fall and winter months.

We are the largest manufacturers in the world of optical and photographic goods, and these lines are holding their own. Wholesale dry goods report a shrinkage of about 20 per cent. Wholesale



groceries are holding their own. Wood and iron working machinery is off. Local retail trade is good, excepting with the smaller stores, whose trade is more directly with industrial classes.

Salesmen in all lines who go through Rochester say that they always get an order and that our retailers seem to be better off than in almost any other places they visit. The country surrounding Rochester is largely agricultural, and has been affected but slightly by the general stringency.

No reduction in the price of labor has been made, and while there are more unemployed than a year ago, the local situation is fair.

Collections are fair. In some lines they are good, but the general average would not class better than fair.

#### **A History of the Berkowitz Bankruptcy and the Referee's Memorandum of Allowances to Attorneys and Others.**

Leon M. Berkowitz was engaged in the merchant tailoring business at No. 102 Market Street, Newark, N. J. This store he opened in March, 1906. Prior to that time he had been in the same business at different places in Newark. He started out for himself in 1893 under the name of the Model Tailoring Company and subsequently formed a partnership with Charles H. Davis, under the firm name of Charles H. Davis & Company, and finally, in 1896, first opened a store in his own name, Leon M. Berkowitz, at No. 170 Market Street. At No. 102 Market Street he occupied an entire building with large signs containing the single word "Berkowitz" prominently displayed. It was while in business at this place that his failure occurred.

As late as April, 1907, Berkowitz sent a statement to a house in New York showing assets of \$32,837.30 and liabilities of \$4,539.23, indicating at that time a clear surplus of \$28,298.07. On June 8, 1907, a meeting of his creditors was called at the office of his attorney and a statement of his affairs was presented, showing assets of \$17,800 and liabilities of \$28,928.59, thus making a deficit of \$11,128.59, instead of a prior surplus of \$28,000, or a total deficiency of \$39,426.66 to be explained.

A settlement of 25 per cent. was offered at this meeting, and thereafter negotiations for settlement were had, all of which were fruitless, and finally, on July 16, 1907, a petition in bankruptcy was filed against Berkowitz. In the course of the bankruptcy proceedings the story of his doings was revealed.

It was developed that in March, 1907, Berkowitz formed a corporation under the name of "Berkowitz, Incorporated," of which the incorporators were Berkowitz, his father-in-law, Baruch Schloss, and his attorney, Samuel F. Leber, it being contemplated that Schloss would help Berkowitz by putting money into the corporation. Although some of the legal formalities were complied with, this corporation never had any real existence, and Berkowitz continued in business for himself as before with the money his father-in-law was to invest in the corporation. Although the corporation had no real existence, Berkowitz from time to time sent out statements to certain of his creditors from which the inference could readily be drawn that he was, in fact, doing business as a corporation. In truth, however, the business was his own.

After the creditors' meeting, however, Berkowitz saw that unless he took prompt action to rescue his assets from his creditors, his creditors would, through bankruptcy proceedings, secure his property.

On June 29th, therefore (after the creditors' meeting and before the filing of the petition in bankruptcy), he formed a second corporation under the name of the "Berkowitz Tailoring Company." The idea of forming this corporation was conceived by Samuel Leibstein, a brother-in-law of Berkowitz, who thought it advisable to continue the business in that form. All the assets of Berkowitz's business, which at the creditors' meeting had been valued at approximately \$17,000, were sold to the Berkowitz Tailoring Company for \$1,500. Leibstein invested \$1,000 in the new company; Milton Schloss, another brother-in-law, \$500, and Berkowitz himself \$25. After the incorporation of the company and all during the bankruptcy proceedings the business was conducted by this so-called corporation just as before.

Berkowitz held no office, but was employed, according to his testimony, as manager. The words "Tailoring Company" were added here and there in small type on the outside signs of the store and on the letter-heads and other stationery, but the individuality of the name Berkowitz was preserved by having the single word "Berkowitz" remain, as before, in a peculiar type at a slant. The general effect was just the same as before the incorporation of the company, so that Berkowitz' own attorney, who had an office opposite the store, said that a stranger would never have observed the difference between the appearance of the store before and after the incorporation.

This corporation was formed, as has been said, while bankruptcy proceedings were imminent and contrary to the advice of the attorney who incorporated the company, for he warned Berkowitz and his associates that they were acting at their peril, and that any such plan as they proposed was subject to attack by the creditors.

The incorporation was conducted at the office of Berkowitz' attorney and a bill of sale of all the assets of Berkowitz to the corporation was drawn, but never left the possession of Berkowitz' attorney, so that there never was any real delivery of this bill of sale. Although Berkowitz had admitted his insolvency and called a meeting of creditors, no notice of this incorporation was given to the creditors, and Leibstein testified that he had nothing to do with the creditors and did not care what Berkowitz did with the \$1,500 he had received for the transfer of his assets.

Berkowitz did not deposit the \$1,500 check, although he had two bank accounts at the time, and when questioned in the proceedings, his recollection was very hazy as to what he had done with the check. At one time during his examination he testified that he carried this \$1,500 check around in his pocket from June 29th to July 16th, and he never has satisfactorily accounted for this sum.

About the same time Berkowitz transferred as security for an alleged loan of \$2,500 his outstanding accounts, amounting to approximately \$3,000, to an old friend, one David Wolff, who carried on an installment business in Newark.

Although an inventory of the property transferred to the corporation was taken, according to Berkowitz' testimony, the inventory could not be found and was not produced in the bankruptcy proceedings. Although Berkowitz testified that he had made annual inventories in his business for ten years prior to March, 1906, all the said inventories had been destroyed immediately after having been made and no inventory at all was available to the creditors, and there was the same difficulty with reference to his former books.

Throughout the bankruptcy proceedings Berkowitz made the in-

vestigation of the creditors as difficult as possible and pleaded ignorance of the most obvious facts. He did not know the value of his fixtures, nor could he ascertain it; he did not know what his accounts receivable were, nor could he ascertain them from his books, and he was similarly ignorant with reference to cash on hand and accounts payable; he knew nothing at all about his books and never looked over them, and when questioned with regard to a financial statement he issued to a creditor, he refused to answer on the ground that to do so might incriminate him.

During this critical period, from June to July, the bankrupt made payments of various sums to his wife, his mother-in-law and his attorney.

From the foregoing it can be seen **what type** of bankrupt Berkowitz was. Referee Edwin G. Adams, at an early stage in the proceedings, made an order directing the Tailoring Company to turn over its property, so-called, to the receiver in bankruptcy of Berkowitz, and in his opinion, on which the order is based, said:

"I regard it as a serious reflection upon the administration of the bankruptcy act when a merchant can organize a corporation, transfer all his assets to the corporation, continue his business in the same manner as he had before such transfer, except for a change in the name over his door, and after he has been adjudicated a bankrupt, continue to conduct his business as theretofore except for the change of the name under which he is doing business. Under such circumstances, where the Bankruptcy Court has before it the sworn testimony of the bankrupt as to the transaction whereby he disposed of his property to the corporation, and where that evidence shows that the transfer was null and void, it seems to me that without regard to the authorities cited above, the court could summarily take possession of the property upon the theory that the corporation is not a third party setting up an adverse claim of title, but rather is holding the property as the agent of the bankrupt.

"The bankrupt has been examined as to the entire transaction. He is the moving spirit in the corporation which purchased the property, and he is its general manager and treasurer. He attended to the transaction for both the seller and the purchaser. He has testified to the facts. *Upon his testimony there can be no doubt that the sale is null and void under the bankruptcy act as well as the New Jersey statute of 1907. Under such circumstances it is the manifest duty of the bankruptcy court to take possession of the property for the purpose of preserving the estate. Otherwise if the court was compelled to wait for the appointment of a trustee to bring a suit to recover the property, by the time such suit could be determined the property in the hands of an irresponsible person might be entirely dissipated, as has been repeatedly pointed out by the courts. That is the situation here. The corporation, so far as the evidence shows, was hastily organized and possesses no assets other than those conveyed to it by the bankrupt, unless it is the sum of five hundred and twenty-five dollars as recited above. It is, therefore, for the purpose of this application financially irresponsible and if the bankruptcy court should not take possession of this property and preserve it, the chances of its being dissipated are promising.*"

In addition to all this, yet one more calamity befell Berkowitz or his company. On December 11, 1907, a fire broke out at No. 102 Mar-

ket Street, about which Berkowitz said he knew nothing until he read about it in the papers the following morning. After the fire, a former employe of Berkowitz, Morris Weiss, told how goods had been taken to Berkowitz' house about the time of the bankruptcy, and how some goods were removed under the very nose of the watchman put in by the creditors.

During the bankruptcy proceedings Berkowitz at one time stated that he would not attend an examination before the referee as he was going west; the answer of the creditors to this statement was a writ of *ne exeat* served on Berkowitz by the United States marshal while he was still in bed and just an hour or two before he had hoped to leave for the west.

All these facts were developed in the bankruptcy proceedings after vigorous and painstaking investigation, and finally Berkowitz saw that further opposition was useless. He, therefore, filed a petition praying for leave to pay the creditors in full, as well as the expenses of the bankruptcy proceedings. His application was granted.

The bankruptcy investigation was conducted by Julius Henry Cohen, Esq., of Cohen, Creevey & Richter, and Henry F. Wolff, Esq., of Ivins, Mason, Wolff & Hoguet, who had been retained by S. Stein & Co. to push the matter.

The statement of the referee regarding the allowance made in this case to attorneys, receiver and others, and his comments upon the cost of administering the bankruptcy law are so reasonable, that all who are interested in bankruptcy matters should read them. None can deny the justness in each charge.

The referee in this instance was Edwin G. Adams, Esq., whose statement is as follows:

"The bankrupt has filed a petition setting forth that he intends to apply for leave to pay into court an amount equal to the full amount of all the claims proven in this matter and all of the costs of administration. The petition prays that the referee may determine the various allowances to the receiver, trustee, attorneys and other costs of administration.

"In compliance with the prayer of the petition I accordingly determine that the following persons are entitled to the allowances respectively stated below:

Charles M. Myers, for services as receiver.....	\$100.00
Charles M. Myers, for expenses as receiver.....	46.00
George W. Shoner, appraiser.....	25.00
Charles M. Myers, for services as trustee, being usual commissions on the amount to be paid to creditors and for costs of administration .....	313.58
Charles M. Myers, for expenses as trustee.....	24.00
H. V. Osborne, for services as attorney of receiver, preparing petition and order for appointment of receiver and for seizure of stock in possession of Berkowitz Tailoring Co., attending on arguments, preparing and filing bill in Chancery in interests of bankrupt estate, and at suggestion of referee. ....	125.00
Julius Henry Cohen and Henry F. Wolff, for all services as attorneys of petitioning creditors and as attorneys of trustee .....	5,000.00
Julius Henry Cohen, expenses as such attorney.....	67.03
Henry F. Wolff, expenses as such attorney.....	944.97
Edwin G. Adams, referee, for expenses and disbursements allowed by rule, statement attached.....	130.70



Edwin G. Adams, referee, balance due by trustee for testimony  
 taken and perpetuated, and copy thereof..... \$59.00  
 Edwin G. Adams, referee, commissions (1% on \$10,423.03)... 104.23

Total .....\$6,939.51

"The foregoing constitute all of the payments to be made by the bankrupt in addition to the amounts due to creditors, under the terms of his petition.

"The allowance to Messrs. Cohen and Wolff is unusually large, and must be regarded as forming a precedent only in cases where the character of the work done, the ability and energy displayed, and the results accomplished are of the same nature as in this case.

"The schedules filed by the bankrupt set forth substantially no assets. If the case had not been handled in an extraordinary manner, the creditors doubtless would have received little or nothing. But the attorneys not only entered into exhaustive examinations of the bankrupt and other witnesses, but prepared themselves both on the facts and the law so thoroughly and displayed such skill and energy in the entire proceedings that the bankrupt now asks leave to pay his creditors in full and all costs of the proceedings. This result was accomplished only after numerous proceedings had been had for restraining orders, writs of *ne exeat*, etc., and against stubborn and able opposition. Prior to the filing of the petition by the bankrupt, upon which this memorandum is based, the attorneys of the trustee filed a comprehensive petition, exhaustively reviewing all the testimony in the matter and praying for an order to compel the bankrupt to turn over to the trustee property of the value approximately of \$15,000 (or its equivalent in cash) alleged to have been fraudulently disposed of or concealed by him. The petition, based largely upon the evidence taken in this proceeding, unquestionably established a *prima facie* case against the bankrupt.

"The services performed by Mr. Cohen and Mr. Wolff in this matter, and the results, etc., accomplished by such services reflect great credit upon the administration of the bankruptcy law. Without services of such character, this case would have been a reproach to the bankruptcy law. In my opinion the bankruptcy courts should see that the allowances for such services are sufficient to encourage like services in other cases, and to encourage attorneys of like ability and energy to come into bankruptcy matters.

"Allowances to counsel in bankruptcy matters must always be 'reasonable.' In this case, where an estate has been created by counsel, not by ordinary examinations of the bankrupt, revealing unscheduled property, but by services requiring a high grade of ability and energy, where the time employed has been sufficient to command equal compensation in private practice, where the results have been accomplished against the most strenuous opposition, and the creditors receive the full amount of their claims, it seems to me that an allowance of five thousand dollars is reasonable.

"Remington on Bankruptcy says (Section 2047) 'The time alone used by the attorney is not the only standard whereby to measure the reasonableness of the fees. There are at least five elements in all: The time properly to be spent on the particular controversy involved; the intricacy of the questions involved therein; the amount involved in that controversy; the strenuousness of the opposition encountered, and the results achieved therein.'

"What Judge Holt said in the matter of Sully, 13 A. B. R., 42, with reference to allowances to receivers is equally applicable to allowances



to attorneys: 'The amount paid for services in administering the Bankrupt Act should never be lavish or extravagant, and should always be rigidly scrutinized, but I know of no reason why they should not be reasonable and adequate. I think it unwise to establish a scale of compensation for services in administering bankrupt estates at so low a rate that the best class of lawyers will refuse to practice at the bankruptcy bar and the best class of business men refuse to act as trustees or receivers.'

"In the matter of Niman, 14 A. B. R., 515, the referee in making an allowance of \$2,500 to the attorney in the matter said 'The results obtained by Mr. Selling are so important, not only pecuniarily, but in the administration of justice, that I consider, as in the case of Sully, decided by Holt, J., that ability and integrity ought to receive a liberal compensation.'

"This case, it seems to me, is peculiarly one demanding adequate compensation to the attorneys for the services performed.

"The amounts necessary to be paid by the bankrupt, in accordance with his petition are, therefore, as follows:

Costs of administration.....	\$6,939.51
Total amount of claims proven and allowed.....	10,423.03
	<hr/>
	\$17,362.54"

#### **Prompt Punishment for Committing Perjury Under Bankruptcy Law.**

A case where the court acted promptly under the National Bankruptcy Act in the punishment of perjury committed under Section 21A of the Act, is that of Morris Rogoff, a waist manufacturer of New York City. Rogoff was indicted on four counts charging that he had made false oaths before the Commissioner of Bankruptcy when he swore that he had not seen certain papers which he had given, prior to his failure, to William F. Umbach, credit manager of Aziel, Putzel & Co., stating the condition of his financial affairs, a list of his creditors and the raw materials which he had on hand just prior to his failure.

In the trial one of the witnesses for the complainant, a representative of an adjustment agency, testified that Rogoff had gone over and discussed the signed statements referred to with him in the presence of Mr. Umbach and that at that time Rogoff declared that the statements were correct to the letter.

Rogoff's attorney tried to show that the defendant had no intention of making a false statement under oath, that his client had been a trifle nervous on the stand, did not have a clear understanding of the English language and consequently might have said things in his confusion without any intent of swerving from the truth.

The district attorney showed that Rogoff had testified falsely to the court for the simple reason that he desired to shut off an uncomfortable examination relative to the disposition of merchandise listed upon his statements given Mr. Umbach.

In charging the jury the court pointed out that when a man answers a question with a "I don't know" or "I don't remember," whereas he really does know or remembers, he commits perjury just as much as if he answered by a categorical "yes" or "no."

It took but a few minutes for the jury to decide that Rogoff was guilty and the judge imposed a sentence of one year imprisonment in the county penitentiary at Dannemora.

### **Another Instance Where the Federal Bankruptcy Court Provided Means for Defeating Fraud.**

As a result of a fight conducted under the leadership of the Syracuse Dry Goods Company, of Syracuse, N. Y., the trustee in bankruptcy for the firm of E. I. Fidler & Son, of Mauch Chunk, Pa., has recently been compelled by the United States Court to resign. A further result is that the creditors have won in their efforts to compel the bankrupts to return stock and cash valued at approximately \$5,000, which it was alleged had been taken and secreted when the firm went into bankruptcy. Naturally the case was long drawn out, having been in the courts for the last two years.

The stubbornness of the creditors was due to the fact that they felt satisfied that an attempt was being made to conceal some of the assets of the defunct firm. They made a demand upon the trustee to bring an action compelling the bankrupts to turn over to him, the amount for which Fidler & Son might be shown to be in default. The trustee refused to bring this action and the creditors therefore presented a petition to the United States District Judge at Scranton asking for an order to proceed independently of the trustee, and for equitable relief. The Judge granted this order and an order to show cause why the trustee should not be removed for his failure to proceed as demanded.

In November, 1907, the matter was argued and the Judge decided that the trustee must resign and on petition to the Judge, Jacob Loose was appointed trustee and an investigation was pursued vigorously as to goods alleged to have been removed or concealed by the bankrupts.

The referee in the case concluded that such goods had been concealed and ordered the bankrupts to turn over to Trustee Loose property withheld or the value thereof in the amount of \$4,176.04 which amount of merchandise had been shipped to and received by the bankrupts during the period of about three months immediately prior to adjudication in bankruptcy.

### **A Case of Prompt Execution of the Bankruptcy Law.**

The members of the hardware concern, Burgoyne & Kesterton, have just been given by the federal court one year each in the federal prison for perjury and for concealing assets of the bankrupt concern. This firm had been located in Memphis, Tenn., and filed a voluntary petition in bankruptcy in the United States Court last January. Previous to the filing of this petition Memphis creditors became suspicious and private detectives who were put to work discovered that a large quantity of stock had been removed from the store.

The clues secured by the detectives were given the United States marshal, who broke into a vacant house adjoining that occupied by one of the partners and found sealed in a blind attic several thousand dollars' worth of hardware, which proved to be the most valuable in the entire stock. After the goods had been stored in this attic the hole through which they had been passed was plastered up, but the work had not been thoroughly done so that the discovery was easily made. The partners were then captured and taken before the United States Commissioner and pleaded guilty.

### **Merchants Indicted for Forgery Under a New Application of the Penal Code of New York State.**

In the indictments returned against the members of the firm of Brown & Taub, jobbers of dry goods in New York City, who were

petitioned into bankruptcy early in the present year, it was alleged that the bankrupts in making reports to the various commercial agencies supplied false figures in order to obtain credit from the wholesale houses with whom they did business, and further it was alleged that on January 1, 1907, a false set of books was opened for the same purpose, and the old set of books had been destroyed. It is this latter act, as well as the opening of false books, that constituted the principal basis for the indictment of forgery.

It appears that in December, 1906, when the period for making the usual annual statement to the various commercial agencies was nearing, Brown & Taub found that they had been losing money during the previous year. It became necessary for them, therefore, to start afresh and they hired an accountant to open a new set of books and gave him an inventory of merchandise amounting to about \$50,000 whereas, according to the facts adduced, the actual inventory amounted only to about \$25,000. The bankrupts kept out of these books certain obligations which they subsequently paid off after the first of the year, by charging half to each partner's account. In this way they were able to indicate a surplus of over \$52,000, while as a matter of fact they had less than \$11,000 surplus.

Two weeks later the accountant was called to audit the old books, each partner being suspicious of the other. The accountant discovered the falsity of the new books, but it was not until he had been examined by the commissioner in bankruptcy proceedings that he was compelled to disclose these facts and produce the original sheets. In the meantime the old books had been lost.

Seeing that the investigation of the Grand Jury was going against them the bankrupts surrendered and were released after furnishing substantial bail.

The case is of particular interest because in it appears a new application of the statute of forgery in commercial crime under the penal code of the state of New York.

The most active creditors in the case against the bankrupts are Bear Mill Manufacturing Company and A. G. Hyde & Sons, of New York.

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#### **San Diego Condemns Attacks on the Credit of Its Merchants.**

The National office has received a certified copy of resolution passed by the directors of the Chamber of Commerce of San Diego County, Cal., at their meeting, held July 27, 1908, condemning the action of certain attorneys of San Diego in an alleged attempt to destroy the financial standing of certain local mercantile houses.

The cause of the action by the San Diego Chamber of Commerce was the receipt of a letter from the secretary of the Board of Trade of San Francisco stating that the firm of lawyers referred to had been using circular letters wherein was given the names of a large number of San Diego merchants whom these lawyers reported to be financially embarrassed. In this letter the secretary of the San Francisco Board of Trade quotes from the attorneys' circular letter as follows:

"All of these merchants, so we are informed, purchased a very heavy stock of goods for this summer's trade, and as the season has been very dull and their expenses are very heavy, it is impossible for them to meet their obligations.

"It is impossible for us to get the names of the creditors of these various merchants, but we know that they have a number of creditors

in your city, and we feel confident that if you would make a few inquiries, you would be able to get control of all of the claims against these merchants, and within a short time.

"Regarding the heavy indebtedness of all of these merchants we desire to say in our opinion, unless the fall trade picks up, a number of these merchants will fail, as it is impossible for them to borrow money in order to pay their indebtedness, and they must wholly rely on their trade in order to realize money with which to pay their bills.

"Competition in commercial law and collections here is unusually keen. We are satisfied that other attorneys here who have representatives in your city will write their correspondents regarding the above matters, hence we wish you would put forth every effort to secure all of the claims possible against the above-named merchants, as we can handle them in a better manner than any one here and give the very best of services and satisfaction to our clients.

"Many drafts have been coming through several banks here in the city that we represent, against these merchants during the past few days and said drafts have been returned, for the reason that these merchants could not pay them."

Upon the receipt of this letter there was held at San Diego a joint meeting of the Chamber of Commerce, Board of Trade and the leading bankers and business men of San Diego. The authors of the circular letter were present, we are informed, by the secretary of the San Diego Chamber of Commerce, who continues: "An investigation was made resulting in establishing the fact that not a single allegation set forth in the letter was true. Thereupon charges were ordered preferred against the firm for investigation by the bar association," and a resolution was adopted by the Chamber of Commerce branding as erroneous and unjust the statements issued by the attorneys regarding the credit condition of a large number of the San Diego business houses, and condemning the same as wholly false, unprofessional and unexcusably disloyal to the people of San Diego.

### **CONVENTION OF NATIONAL CONFECTIONERS' ASSOCIATION.**

#### **Important Consideration Given to Credit Aspects of Confectionery Business.**

The National Confectioners' Association held its twenty-fifth annual convention at Atlantic City, June 24-26, 1908. From every point of view it was a thoroughly successful convention.

A. H. Burt, who was chairman of the Membership Committee of the National Association of Credit Men for the year just ended, was one of the speakers, his subject being the work of the Credit Men's Association for credit improvements.

George Close, of Boston, also spoke on "The Credit Question." His comparison of the achievements made by the members in the improvement of factory methods and products and of office appliances with the unchanged old haphazard methods of credit extension still ruling in the trade was exceedingly striking and Mr. Close urged that the subject be no longer neglected. He quoted from a circular issued during the year by President Hoops, of the Confectioners' Association, and as it is descriptive of problems not confined to any one line a part of the circular is presented, as follows:

"The thing that has crept into our business in the past year or two is the taking of cash discounts after the bill is



over ten days old. There are various reasons or excuses given for such action. Some say they will not pay for goods until they see them; others that they want to check them up before they pay for them, which indicates that they will not take anybody's say-so that the goods were shipped. In other words, they do not trust the person from whom they purchase, but expect him to trust them.

"Others give as an excuse the fact that they have other bills which must be paid—sugar bills, for example—assuming thereby that the money which is due the confectioner is not as important as money which is due the sugar man.

"This is not just, for it is using the confectioner's money to pay some one else. The only way to stop this abuse of credit is for all of us to be strict and not allow a cash discount, except according to terms on invoice.

"It is easy for us to get into a bad rut, but mighty hard to get out of it; and it often happens that even a bad, unbusiness-like transaction, if continued long enough, will work into a custom that is impossible to change. If we allow our customers to take cash discounts in fifteen or twenty days' time, it will only be a little while before they will take it off in thirty days or even sixty days.

"Evils never grow less.

"Our success depends entirely upon the habits or methods we establish in doing business with our customers. The younger the habit the easier it is for us to correct it. To cut out a long-established custom is like beginning business all over again. Therefore, if we do not want to start anew, we must not establish bad customs in doing business.

"The fact that our invoice is printed 'thirty days, less 1 per cent. cash discount if paid in ten days,' makes no difference to our customers. It is the habit we form in insisting upon payment according to terms which really fixes the condition of sale. And so the whole question of habit or custom becomes the real rule we follow.

"Habit is the unwritten law of our business. And our success, especially in times like these, depends entirely upon whether the habits we formed in the conduct of our business have been good or bad.

"Now is the time for us to commence to reform; not next year, next month, next week or to-morrow, but to-day."

The officers elected for the ensuing year were: H. W. Hoops, of Hawley & Hoops, New York, president; Samuel Croft, of Croft & Allen Co., Philadelphia, vice-president; John D. Reinhart, of Reinhart & Newton, Cincinnati, second vice-president; F. D. Seward, of F. D. Seward Factory, St. Louis, secretary; Jerome T. Blome, of Geo. Blome & Son Co., Baltimore, treasurer.

#### A Query Regarding Turkish Trade.

A member of the Association engaged in the agricultural implement trade has asked the National office to accumulate information touching the credit experience of American concerns doing business in the Turkish Empire, and especially their experience of late as affected by the internal political troubles which have broken out there.

The National office therefore desires to know what those who have done business in Turkey have found to be a safe basis of extend-



ing credit, what special safeguards have been found advisable to adopt, and what, if any, change in *modus operandi* has been made necessary by the prevailing condition of politics there. Have these new conditions brought the necessity of doing business on a basis, f. o. b. cash, New York?

### **The National Retail Grocers' Association Convention.**

The eleventh annual convention of the National Retail Grocers' Association was held this year in Boston. A report arousing especial interest was that made by the Legislative Committee. The chairman of this committee was T. P. Sullivan, of Chicago, who described the efforts which the grocers of the country, through their organization, have made and are making to promote opposition to the Parcels Post Bill; to urge forward pure food legislation in both national and state legislatures; to endeavor to secure amendments to the National Bankruptcy Act and to secure the passage of a law reducing letter postage to one cent. Mr. Sullivan was followed by reports on legislation made by representatives of several states.

The reports from the chairmen of the various state delegations indicated splendid progress in organizing the retail grocers throughout the country and showed that the local associations are not only becoming centres of power in their towns and states, but are giving the grocers themselves new ideas of their standing and responsibility.

An able address in opposition to the proposed system of parcels post was presented by Charles W. Burrows, of Cleveland, Ohio. Mr. Burrows pointed out that the retailer is not opposed to the mail order house *per se*, but objects to the government virtually going into partnership with that business and thus aiding in cutting deep into that constructive rural development in which the retailer is an important factor throughout the country.

### **The New Currency and Banking Law.**

There was no subject brought before the last convention of the National Association of Credit Men which aroused so much general interest among the delegates as that touching the improvement of our currency and banking laws. It promptly became clear that the sentiment of the delegates and members gathered together from every large center of the country was that the members of this Association must share in making the right answer to the question,—What system of currency and banking should we adopt? As was brought out in the report made before the convention by the Committee on Currency, nobody looks upon the so-called Aldrich-Vreeland measure as an adequate or fundamental change for the better in our currency or banking system; yet as an important piece of legislation its provisions should be clearly understood, perhaps as a starting point for those who are not familiar with our banking laws. In order to emphasize in the mind of the reader the important and new features introduced into our banking system by this latest measure the following points in its provisions are presented:

The measure provides that the new "circulating notes" are to be based upon the highest class of municipal, county and state bonds, and upon commercial paper guaranteed by national currency associations, said associations to be formed by not less than ten national banks located in contiguous territory, each bank to have an unimpaired capital and a surplus of at least 20 per cent. of its unimpaired capital, and the com-

bined capital of the banks making up the association to be not less than \$5,000,000.

Before applying for additional circulation, each bank must have issued before taking advantage of the new law, all the national bank notes it is entitled to issue under the law, and the notes issued under the new law are not to exceed in their amount 75 per cent. of the cash value of the commercial paper used as their basis, or 90 per cent. of the market value of the bonds; any individual bank may apply for the new notes independently, provided that the prescribed class of bonds are submitted as security; but to use commercial paper as a basis of issue, the application must come from a currency association.

The form of the new notes is to be the same as the national bank note, the lowest denomination being \$5, the highest \$10,000; they are to rest upon the guaranty of the United States government, the individual bank, and, in most cases, the currency associations; also they are to be secured by a redemption fund amounting to 10 per cent. of their value deposited in the treasury; total issue not to exceed \$500,000,000; there is to be a graduated tax to encourage early retiring of the new notes.

Last of all is the provision for a Monetary Commission from among the members of Congress, nine from each house.

The above are some of the important points contained in the new banking law, the full text of which is as follows:

[H. R. 21871.]

An Act To amend the national banking laws.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That national banking associations, each having an unimpaired capital and a surplus of not less than twenty per centum, not less than ten in number, having an aggregate capital and surplus of at least five millions of dollars, may form voluntary associations to be designated as national currency associations. The banks uniting to form such association shall, by their presidents or vice-presidents, acting under authority from the board of directors, make and file with the Secretary of the Treasury a certificate setting forth the names of the banks composing the association, the principal place of business of the association, and the name of the association, which name shall be subject to the approval of the Secretary of the Treasury. Upon the filing of such certificate the associated banks therein named shall become a body corporate, and by the name so designated and approved may sue and be sued and exercise the powers of a body corporate for the purposes hereinafter mentioned: *Provided*, That not more than one such national currency association shall be formed in any city: *Provided further*, That the several members of such national currency association shall be taken, as nearly as conveniently may be, from a territory composed of a State or part of a State, or contiguous parts of one or more States: *And provided further*, That any national bank in such city or territory, having the qualifications herein prescribed for membership in such national currency association, shall, upon its application to and upon the approval of the Secretary of the Treasury, be admitted to membership in a national currency association for that city or territory, and upon such admission shall be deemed and held a part of the body corporate, and as such entitled to all the rights and privileges and subject to all the liabilities of an original member: *And provided further*, That each national currency association shall be composed exclusively of banks not members of any other national currency association.

The dissolution, voluntary or otherwise, of any bank in such association shall not affect the corporate existence of the association unless there shall then remain less than the minimum number of ten banks: *Provided, however*, That the reduction of the number of said banks below the minimum of ten shall not affect the existence of the corporation with respect to the assertion of all rights in favor of or against such association. The affairs of the association shall be managed by a board consisting of one representative from each bank. By-laws for the government of the association shall be made by the board, subject to the approval of the Secretary of the Treasury. A president, vice-president, secretary, treasurer, and an executive committee of not less than five members, shall be elected by the board. The powers of such board, except in the election of officers and making of by-laws, may be exercised through its executive committee.

The national currency association herein provided for shall have and exercise any and all powers necessary to carry out the purposes of this section, namely, to render available, under the direction and control of the Secretary of the Treasury, as a basis for additional circulation any securities, including commercial paper, held by a national banking association. For the purpose of obtaining such additional circulation, any bank belonging to any national currency association, having circulating notes outstanding secured by the deposit of bonds of the United States to an amount not less than forty per centum of its capital stock, and which has its capital unimpaired and a surplus of not less than twenty per centum, may deposit with and transfer to the association, in trust for the United States, for the purpose hereinafter provided, such of the securities above mentioned as may be satisfactory to the board of the association. The officers of the association may thereupon, in behalf of such bank, make application to the Comptroller of the Currency for an issue of additional circulating notes to an amount not exceeding seventy-five per centum of the cash value of the securities or commercial paper so deposited. The Comptroller of the Currency shall immediately transmit such application to the Secretary of the Treasury with such recommendation as he thinks proper, and if, in the judgment of the Secretary of the Treasury, business conditions in the locality demand additional circulation, and if he be satisfied with the character and value of the securities proposed and that a lien in favor of the United States on the securities so deposited and on the assets of the banks composing the association will be amply sufficient for the protection of the United States, he may direct an issue of additional circulating notes to the association, on behalf of such bank, to an amount in his discretion, not, however, exceeding seventy-five per centum of the cash value of the securities so deposited: *Provided*, That upon the deposit of any of the State, city, town, county, or other municipal bonds, of a character described in section three of this Act, circulating notes may be issued to the extent of not exceeding ninety per centum of the market value of such bonds so deposited: *And provided further*, That no national banking association shall be authorized in any event to issue circulating notes based on commercial paper in excess of thirty per centum of its unimpaired capital and surplus. The term "commercial paper" shall be held to include only notes representing actual commercial transactions, which when accepted by the association shall bear the names of at least two responsible parties and have not exceeding four months to run.

The banks and the assets of all banks belonging to the association shall be jointly and severally liable to the United States for the redemption of such additional circulation; and to secure such liability the lien created by section fifty-two hundred and thirty of the Revised Statutes shall extend to and cover the assets of all banks belonging to the association, and to the securities deposited by the banks with the association pursuant to the provisions of this Act; but as between the several banks composing such association each bank shall be liable only in the proportion that its capital and surplus bears to the aggregate capital and surplus of all such banks. The association may, at any time, require of any of its constituent banks a deposit of additional securities or commercial paper, or an exchange of the securities already on deposit, to secure such additional circulation; and in case of the failure of such bank to make such deposit or exchange the association may, after ten days' notice to the bank, sell the securities and paper already in its hands at public sale, and deposit the proceeds with the Treasurer of the United States as a fund for the redemption of such additional circulation. If such fund be insufficient for that purpose the association may recover from the bank the amount of the deficiency by suit in the circuit court of the United States, and shall have the benefit of the lien hereinbefore provided for in favor of the United States upon the assets of such bank. The association or the Secretary of the Treasury may permit or require the withdrawal of any such securities or commercial paper and the substitution of other securities or commercial paper of equal value therefor.

Sec. 2. That whenever any bank belonging to a national currency association shall fail to preserve or make good its redemption fund in the Treasury of the United States, required by section three of the Act of June twentieth, eighteen hundred and seventy-four, chapter three hundred and forty-three, and the provisions of this Act, the Treasurer of the United States shall notify such national currency association to make good such redemption fund, and upon the failure of such national currency association to make good such fund, the Treasurer of the United States may, in his discretion, apply so much of the redemption fund belonging to the other banks composing such national currency association as may be necessary for that purpose; and such national currency association may, after five days' notice to such bank, proceed to sell at public sale the securities deposited by such bank with the association pursuant to the provisions of section one of this Act,

and deposit the proceeds with the Treasurer of the United States as a fund for the redemption of the additional circulation taken out by such bank under this Act.

SEC. 3. That any national banking association which has circulating notes outstanding, secured by the deposit of United States bonds to an amount of not less than forty per centum of its capital stock, and which has a surplus of not less than twenty per centum, may make application to the Comptroller of the Currency for authority to issue additional circulating notes to be secured by the deposit of bonds other than bonds of the United States. The Comptroller of the Currency shall transmit immediately the application, with his recommendation, to the Secretary of the Treasury, who shall, if in his judgment business conditions in the locality demand additional circulation, approve the same, and shall determine the time of issue and fix the amount, within the limitations herein imposed, of the additional circulating notes to be issued. Whenever after receiving notice of such approval any such association shall deposit with the Treasurer or any assistant treasurer of the United States such of the bonds described in this section as shall be approved in character and amount by the Treasurer of the United States and the Secretary of the Treasury, it shall be entitled to receive, upon the order of the Comptroller of the Currency, circulating notes in blank, registered and countersigned as provided by law, not exceeding in amount ninety per centum of the market value, but not in excess of the par value of any bonds so deposited, such market value to be ascertained and determined under the direction of the Secretary of the Treasury.

The Treasurer of the United States, with the approval of the Secretary of the Treasury, shall accept as security for the additional circulating notes provided for in this section, bonds or other interest-bearing obligations of any State of the United States, or any legally authorized bonds issued by any city, town, county, or other legally constituted municipality or district in the United States which has been in existence for a period of ten years, and which for a period of ten years previous to such deposit has not defaulted in the payment of any part of either principal or interest of any funded debt authorized to be contracted by it, and whose net funded indebtedness does not exceed ten per centum of the valuation of its taxable property, to be ascertained by the last preceding valuation of property for the assessment of taxes. The Treasurer of the United States, with the approval of the Secretary of the Treasury, shall accept, for the purposes of this section, securities herein enumerated in such proportions as he may from time to time determine, and he may with such approval at any time require the deposit of additional securities, or require any association to change the character of the securities already on deposit.

SEC. 4. That the legal title of all bonds, whether coupon or registered, deposited to secure circulating notes issued in accordance with the terms of section three of this Act shall be transferred to the Treasurer of the United States in trust for the association depositing them, under regulations to be prescribed by the Secretary of the Treasury. A receipt shall be given to the association by the Treasurer or any assistant treasurer of the United States, stating that such bond is held in trust for the association on whose behalf the transfer is made, and as security for the redemption and payment of any circulating notes that have been or may be delivered to such association. No assignment or transfer of any such bond by the Treasurer shall be deemed valid unless countersigned by the Comptroller of the Currency. The provisions of sections fifty-one hundred and sixty-three, fifty-one hundred and sixty-four, fifty-one hundred and sixty-five, fifty-one hundred and sixty-six, and fifty-one hundred and sixty-seven and sections fifty-two hundred and twenty-four to fifty-two hundred and thirty-four, inclusive, of the Revised Statutes respecting United States bonds deposited to secure circulating notes shall, except as herein modified, be applicable to all bonds deposited under the terms of section three of this Act.

SEC. 5. That the additional circulating notes issued under this Act shall be used, held, and treated in the same way as circulating notes of national banking associations heretofore issued and secured by a deposit of United States bonds, and shall be subject to all the provisions of law affecting such notes except as herein expressly modified: *Provided*, That the total amount of circulating notes outstanding of any national banking association, including notes secured by United States bonds as now provided by law, and notes secured otherwise than by deposit of such bonds, shall not at any time exceed the amount of its unimpaired capital and surplus: *And provided further*, That there shall not be outstanding at any time circulating notes issued under the provisions of this Act to an amount of more than five hundred millions of dollars.

SEC. 6. That whenever and so long as any national banking association has outstanding any of the additional circulating notes authorized to be issued by the provisions of this Act it shall keep on deposit in the Treasury of the United States, in addition to the redemption fund required by section three of the Act of June



twentieth, eighteen hundred and seventy-four, an additional sum equal to five per centum of such additional circulation at any time outstanding, such additional five per centum to be treated, held, and used in all respects in the same manner as the original redemption fund provided for by said section three of the Act of June twentieth, eighteen hundred and seventy-four.

SEC. 7. In order that the distribution of notes to be issued under the provisions of this Act shall be made as equitable as practicable between the various sections of the country, the Secretary of the Treasury shall not approve applications from associations in any State in excess of the amount to which such State would be entitled of the additional notes herein authorized on the basis of the proportion which the unimpaired capital and surplus of the national banking associations in such State bears to the total amount of unimpaired capital and surplus of the national banking associations of the United States: *Provided, however,* That in case the applications from associations in any State shall not be equal to the amount which the associations of such State would be entitled to under this method of distribution, the Secretary of the Treasury may, in his discretion, to meet an emergency, assign the amount not thus applied for to any applying association or associations in States in the same section of the country.

SEC. 8. That it shall be the duty of the Secretary of the Treasury to obtain information with reference to the value and character of the securities authorized to be accepted under the provisions of this Act, and he shall from time to time furnish information to national banking associations as to such securities as would be acceptable under the provisions of this Act.

SEC. 9. That section fifty-two hundred and fourteen of the Revised Statutes, as amended, be further amended to read as follows:

"SEC. 5214. National banking associations having on deposit bonds of the United States, bearing interest at the rate of two per centum per annum, including the bonds issued for the construction of the Panama Canal, under the provisions of section eight of 'An Act to provide for the construction of a canal connecting the waters of the Atlantic and Pacific oceans,' approved June twenty-eighth, nineteen hundred and two, to secure its circulating notes, shall pay to the Treasurer of the United States, in the months of January and July, a tax of one-fourth of one per centum each half year upon the average amount of such of its notes in circulation as are based upon the deposit of such bonds; and such associations having on deposit bonds of the United States bearing interest at a rate higher than two per centum per annum shall pay a tax of one-half of one per centum each half year upon the average amount of such of its notes in circulation as are based upon the deposit of such bonds. National banking associations having circulating notes secured otherwise than by bonds of the United States shall pay for the first month a tax at the rate of five per centum per annum upon the average amount of such of their notes in circulation as are based upon the deposit of such securities, and afterwards an additional tax of one per centum per annum for each month until a tax of ten per centum per annum is reached, and thereafter such tax of ten per centum per annum, upon the average amount of such notes. Every national banking association having outstanding circulating notes secured by a deposit of other securities than United States bonds shall make monthly returns, under oath of its president or cashier, to the Treasurer of the United States, in such form as the Treasurer may prescribe, of the average monthly amount of its notes so secured in circulation; and it shall be the duty of the Comptroller of the Currency to cause such reports of notes in circulation to be verified by examination of the bank's records. The taxes received on circulating notes secured otherwise than by bonds of the United States shall be paid into the Division of Redemption of the Treasury and credited and added to the reserve fund held for the redemption of United States and other notes."

SEC. 10. That section nine of the Act approved July twelfth, eighteen hundred and eighty-two, as amended by the Act approved March fourth, nineteen hundred and seven, be further amended to read as follows:

"SEC. 9. That any national banking association desiring to withdraw its circulating notes, secured by deposit of United States bonds in the manner provided in section four of the Act approved June twentieth, eighteen hundred and seventy-four, is hereby authorized for that purpose to deposit lawful money with the Treasurer of the United States and, with the consent of the Comptroller of the Currency and the approval of the Secretary of the Treasury, to withdraw a proportionate amount of bonds held as security for its circulating notes in the order of such deposits: *Provided,* That not more than nine millions of dollars of lawful money shall be so deposited during any calendar month for this purpose.

"Any national banking association desiring to withdraw any of its circulating notes, secured by the deposit of securities other than bonds of the United States, may make such withdrawal at any time in like manner and effect by the deposit of lawful money or national bank notes with the Treasurer of the United States,



and upon such deposit a proportionate share of the securities so deposited may be withdrawn: *Provided*, That the deposits under this section to retire notes secured by the deposit of securities other than bonds of the United States shall not be covered into the Treasury, as required by section six of an Act entitled 'An Act directing the purchase of silver bullion and the issue of Treasury notes thereon, and for other purposes,' approved July fourteenth, eighteen hundred and ninety, but shall be retained in the Treasury for the purpose of redeeming the notes of the bank making such deposit."

SEC. 11. That section fifty-one hundred and seventy-two of the Revised Statutes be, and the same is hereby, amended to read as follows:

"SEC. 5172. In order to furnish suitable notes for circulation, the Comptroller of the Currency shall, under the direction of the Secretary of the Treasury, cause plates and dies to be engraved, in the best manner to guard against counterfeiting and fraudulent alterations, and shall have printed therefrom, and numbered, such quantity of circulating notes in blank, of the denominations of five dollars, ten dollars, twenty dollars, fifty dollars, one hundred dollars, five hundred dollars, one thousand dollars, and ten thousand dollars, as may be required to supply the associations entitled to receive the same. Such notes shall state upon their face that they are secured by United States bonds or other securities, certified by the written or engraved signatures of the Treasurer and Register and by the imprint of the seal of the Treasury. They shall also express upon their face the promise of the association receiving the same to pay on demand, attested by the signature of the president or vice-president and cashier. The Comptroller of the Currency, acting under the direction of the Secretary of the Treasury, shall as soon as practicable cause to be prepared circulating notes in blank, registered and countersigned, as provided by law, to an amount equal to fifty per centum of the capital stock of each national banking association; such notes to be deposited in the Treasury or in the subtreasury of the United States nearest the place of business of each association, and to be held for such association, subject to the order of the Comptroller of the Currency, for their delivery as provided by law: *Provided*, That the Comptroller of the Currency may issue national bank notes of the present form until plates can be prepared and circulating notes issued as above provided: *Provided*, *however*, That in no event shall bank notes of the present form be issued to any bank as additional circulation provided for by this Act.

SEC. 12. That circulating notes of national banking associations, when presented to the Treasury for redemption, as provided in section three of the Act approved June twentieth, eighteen hundred and seventy-four, shall be redeemed in lawful money of the United States.

SEC. 13. That all acts and orders of the Comptroller of the Currency and the Treasurer of the United States authorized by this Act shall have the approval of the Secretary of the Treasury who shall have power, also, to make any such rules and regulations and exercise such control over the organization and management of national currency associations as may be necessary to carry out the purposes of this Act.

SEC. 14. That the provisions of section fifty-one hundred and ninety-one of the Revised Statutes, with reference to the reserves of national banking associations, shall not apply to deposits of public moneys by the United States in designated depositories.

SEC. 15. That all national banking associations designated as regular depositories of public money shall pay upon all special and additional deposits made by the Secretary of the Treasury in such depositories, and all such associations designated as temporary depositories of public money shall pay upon all sums of public money deposited in such associations interest at such rate as the Secretary of the Treasury may prescribe, not less, however, than one per centum per annum upon the average monthly amount of such deposits: *Provided*, *however*, That nothing contained in this Act shall be construed to change or modify the obligation of any association or any of its officers for the safe-keeping of public money: *Provided further*, That the rate of interest charged upon such deposits shall be equal and uniform throughout the United States.

SEC. 16. That a sum sufficient to carry out the purposes of the preceding sections of this Act is hereby appropriated out of any money in the Treasury not otherwise appropriated.

SEC. 17. That a Commission is hereby created, to be called the "National Monetary Commission," to be composed of nine members of the Senate, to be appointed by the Presiding Officer thereof, and nine members of the House of Representatives, to be appointed by the Speaker thereof; and any vacancy on the Commission shall be filled in the same manner as the original appointment.

SEC. 18. That it shall be the duty of this Commission to inquire into and report to Congress at the earliest date practicable, what changes are necessary or desirable in the monetary system of the United States or in the laws relating to

banking and currency, and for this purpose they are authorized to sit during the sessions or recess of Congress, at such times and places as they may deem desirable, to send for persons and papers, to administer oaths, to summons and compel the attendance of witnesses, and to employ a disbursing officer and such secretaries, experts, stenographers, messengers, and other assistants as shall be necessary to carry out the purposes for which said Commission was created. The Commission shall have the power, through subcommittee or otherwise, to examine witnesses and to make such investigations and examinations, in this or other countries, of the subjects committed to their charge as they shall deem necessary.

SEC. 19. That a sum sufficient to carry out the purposes of sections seventeen and eighteen of this Act, and to pay the necessary expenses of the Commission and its members, is hereby appropriated, out of any money in the Treasury not otherwise appropriated. Said appropriation shall be immediately available and shall be paid out on the audit and order of the chairman or acting chairman of said Commission, which audit and order shall be conclusive and binding upon all Departments as to the correctness of the accounts of such Commission.

SEC. 20. That this Act shall expire by limitation on the thirtieth day of June, nineteen hundred and fourteen.

Approved, May 30, 1908.

### **A Decision Favorable to Creditors in a Bankruptcy Case in the State of Washington, Resting Partly Upon the Sales in Bulk Law.**

A decision of great importance to credit grantors in the state of Washington was recently secured through the strength of evidence gathered for their clients by Attorneys McClure & McClure and John G. Gray, of Seattle, Wash.

In the investigation into the affairs of Frank Subarber, bankrupt, of Mount Vernon, Wash., it was revealed that he, a retailer of boots and shoes, had cleaned out in bulk to the Blue Front Clothing Co. and C. Verstandig as the Ideal Clothing House, both of the same state, practically his entire stock of merchandise for nearly all of which the bankrupt was indebted. The trustee in bankruptcy brought suit in the United States District Court against the purchasers of Subarber's stock to recover the value of merchandise sold by the bankrupt to these concerns, and was successful in recovering 80 per cent. of the market price of the goods from the respective purchasers on the ground that they were not purchasers in good faith.

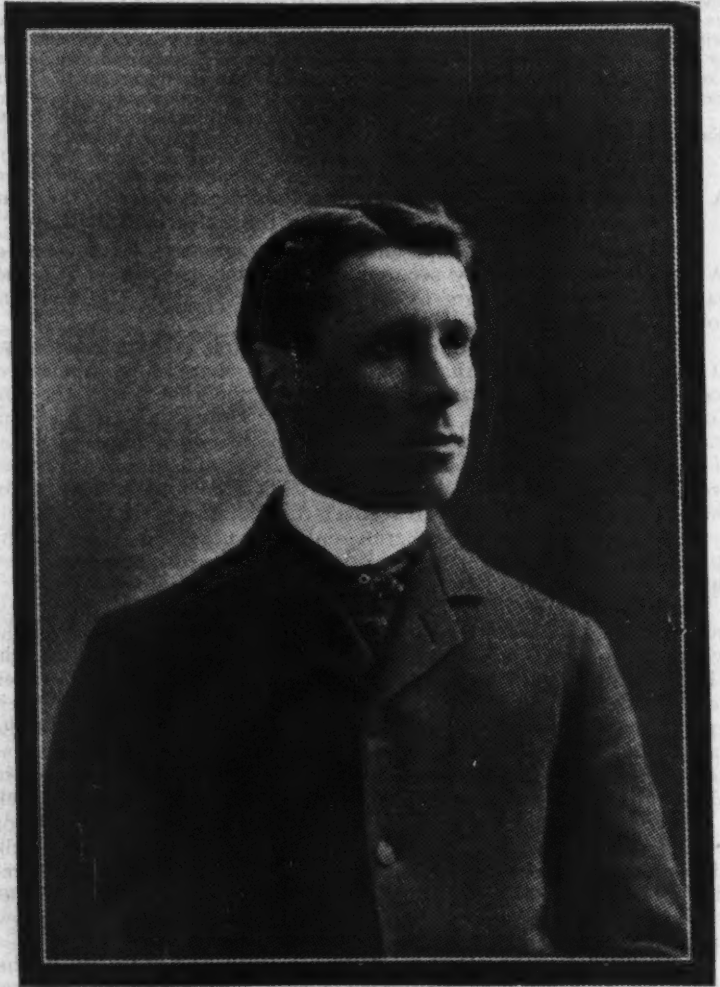
It was shown that the bankrupt was a shoe dealer in a small way, and purchased a three thousand dollar stock of shoes, selling on the average only a few pairs of shoes daily. The defendants each bought a large lot of this stock in bulk (in one case before it had been taken from the freight station), and mingled their purchases with their regular stock in another town. The defendants conceded that if the transactions were within the sales in bulk law, the attempted sale was void. The referee decided, on the strength of other decisions in Washington, that for a retailer doing business in a small way to sell at wholesale more than \$800 worth of goods out of a stock of about \$3,000 would be contrary to the provisions of the bulk sales act and, therefore, void unless made in compliance therewith. The referee also held that the sale was fraudulent and void as to creditors, on the ground that the purchasers had reason to know that fraud was intended by Subarber upon his creditors.

The United States District Judge confirmed the report of the referee on both grounds, and further held that as the sales were within a period of four months preceding the commencement of bankruptcy proceedings and were fraudulent and void, the title to the property by operation of law became vested in the trustee, and the same having been mingled with the goods of the defendants and partly disposed of by them, legal liability to render compensation in money attached, and judgment was rendered accordingly.

## OBITUARIES.

### Frederick W. Parsons.

Frederick W. Parsons, one of the charter members of the Jobbers' Credit Association, of Duluth, a branch of the National Association of Credit Men, died May 30th last. Mr. Parsons had, previous to the chartering of a local association at Duluth, been an individual member of



FREDERICK W. PARSONS.

the National Association, and his loyalty to both memberships makes his name worthy of a high place in the records of the Association.

On the last day of the convention at Denver, the National Association passed suitable resolutions upon Mr. Parson's death. They were printed

in the proceedings of the convention in the July BULLETIN. At the June fourth meeting of the Duluth Association also the following minute was ordered:

"For the first time since the organization of our association, we are called upon to record the death of one of our beloved and active members in the person of Frederick W. Parsons, who died on May 30, 1908, at St. Luke's Hospital, Duluth, after a brief illness. This association mourns the untimely loss of one of its most faithful and devoted adherents.

"From the inception of the association our departed friend evinced a deep interest in its workings in both his moral and financial support. Through his death the association has sustained a great loss, as have also his business and social friends, and Duluth has been deprived of a high-minded, active citizen whose standard has always been directed to the betterment of those with whom he came in contact."

Mr. Parsons was secretary and assistant treasurer of Marshall-Wells Hardware Company, with which house he had been connected since its organization.

#### Henry M. Hays.

On July 3d, Henry M. Hays, the vice-president of Bemis-Hooper-Hays Company, of Oshkosh, Wis., passed away. Mr. Hays was one of the members who held high ideals for the National Association of Credit Men and was always responsive to any request sent out to the individual membership to help the association in its work. The death of such a member means a real loss to the Association.

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#### Testimony.

Of all words these are strongest

A man's worth to attest:

They that have known him longest

Are they that love him best.—*New York Sun.*

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#### The Denver-Yellowstone Trip of the Cleveland Association— June 21-July 7.

The Cleveland delegation to the Convention was the only delegation which retained its special train homeward as well as outward bound. From Denver the train carried the Cleveland party to Colorado Springs, Glenwood Springs, Salt Lake City and finally to Yellowstone Park, where five days were spent, and landed its guests again in Cleveland, seventeen days after the start. The splendidly equipped train consisting of five Pullmans and a baggage car to which was attached the Pittsburgh delegation's special car, left Cleveland Sunday, June 21, carrying ninety-four people.

The first official stop was made at Omaha, Monday at noon. There the party was hurried into waiting automobiles and taken about the city, finally reaching the Commercial Club. Here a delightful lunch was served, after which F. L. Haller, president of the Lininger Implement Company welcomed the visitors. After being photographed the party returned to the train, leaving at 3.30 P. M., carrying with them most delightful recollections of Omaha and her energetic business men. The reception, which was arranged on a few hours notice, reflected great credit on the organizers, Messrs. Guild, Yetter and Haller, of the Omaha Association of Credit Men.

A few hours after the close of the Convention a start was made for the Yellowstone. A day of sight seeing was pleasantly spent at



Colorado Springs, and a stop of a few hours at Glenwood Springs where the party was informally entertained by members of the Glenwood Springs Chamber of Commerce. Salt Lake City was reached Monday, June 29. Here the Cleveland delegates who had been joined at Denver by representatives of a dozen associations, coming from as many different states, were given a most royal welcome by the Utah Association. Among the members of the reception committee were Leon Sweet, A. V. Gallagher, Samuel Wertz, C. N. Strevell, Arthur Parsons, C. W. Mount, J. G. McDonald and F. W. Gardner. The excursion took the air of a small sized National Convention en route. Every minute of the day was filled with pleasure. An automobile ride in the morning ended at the Tabernacle, where a most inspiring organ recital was given. At 1.30 P. M. a reception and luncheon was tendered the visitors at the Commercial Club, President Arthur Parsons making the address of welcome, which was responded to by President Pearce, Harry New and W. M. Pattison, in behalf of the Cleveland association, and its guests. At the conclusion, cars were boarded for Saltair, a resort on Salt Lake where everybody enjoyed the fine bathing. It was a most enjoyable day, one that will long be remembered by all those who participated in Salt Lake City's generous hospitality. It was a day that thoroughly demonstrated the community of interests that the Credit Men's Association stands for. The only regret felt by the visitors was to find Fisher Harris, Utah's famous Silver Tongued Orator of "Come to Zion" fame, voiceless. All credit men joined in wishing him speedy return of his voice.

Tuesday morning seven merry coach loads of credit men and their ladies rolled out of Yellowstone Station and soon the beautiful park resounded with the lustily prolonged cry of "A-h-h-h-ah"! The weather was simply ideal and every point of interest was thoroughly enjoyed. That evening the guests of the Cleveland association had a surprise for the Cleveland members. The scene was the beautiful lobby of Old Faithful Inn, a charming log-built hotel. A meeting of the entire party was called and J. L. Boyd, Jr., of Pittsburgh, introduced in a happy vein the speakers of the evening, among them W. B. Conkling, of Rochester; Harry L. Eisen, Adolph Landauer and Morris Miller, of Milwaukee; B. F. Ezkiel, of Birmingham; George H. Graves, of Boston; O. J. Hutton, of Manchester, N. H.; Charles G. Rapp, F. R. Scattergood and F. C. Lewin, of Philadelphia; W. H. Matthai, of Baltimore; O. W. Oppenheimer, of Pittsburgh; Ernst Troy, of Cincinnati; and Edward F. Scheffey, of Lynchburg. One and all voiced their appreciation of the untiring efforts of W. M. Pattison, chairman of the Transportation Committee, in making the outing such an unqualified success.

Mr. Scheffey was the closing speaker, and at the conclusion of his witty remarks, presented to Mr. and Mrs. Pattison a beautiful silver loving cup in token of the united esteem and affection of the guests. Mr. Pattison, although taken entirely unawares, responded in his hearty and genial manner, disclaiming with innate modesty all credit for the achievement. A unanimous vote was taken by the outside associations, pledging themselves to accompany the Cleveland delegation to the next convention under Mr. Pattison's leadership.

Mr. Pattison in responding, promised every delegate a lower berth and corner room with bath.

Some of the most pleasing incidents of the evening were the many effective and graceful responses of the ladies.

The entire seventeen days tour was taken without an accident or unpleasantness of any kind, and no inclement weather marred the journey. Great credit is due the Transportation Committee consisting of



W. M. Pattison, W. B. Fish, Floyd D. Shook and J. B. Pearce for their able management. Entertainment was provided for en route by an Entertainment Committee consisting of Messrs. Fish, Beebe, Grossenbacher, and Kelly. The Press Committee, Messrs. Beebe, Fish, Grossenbacher and Klein ably assisted by numerous contributors published five issues of the newspaper called the "Trip Hammer." Taken all in all the Cleveland tour is bound to result in great good to the National Association as well as the local associations which took part.

#### Death and Taxes.

Then his horse went dead and his mule went lame,  
And he lost six cows in a poker game;  
Then a hurricane came on a summer day  
And blew the house where he lived away;

And an earthquake came when that was gone  
And swallowed the land that the house stood on.  
Then the tax collector, he came round,  
And charged him up with the hole in the ground.

—Abilene (Kan.) Reflector.

#### THE SALES IN BULK ACT AS AFFIRMED BY THE MICHIGAN SUPREME COURT.

AN ADDRESS BY BENN M. CORWIN BEFORE THE GRAND RAPIDS CREDIT  
MEN'S ASSOCIATION.

The Sales in Bulk Act is, unquestionably, a subject of vital importance to every credit man, one that has been constantly before you for the past few years because of the varying attitudes taken toward similar laws by the courts of last resort in other states.

Most of the members of the National Association of Credit Men are, without a doubt, better informed on this subject than the average lawyer, owing to the excellent facilities for keeping posted which are furnished by the monthly BULLETIN, but a brief review of the evolution of this class of legislation may be instructive and perhaps not unentertaining to men who have a personal interest therein.

Previous to the year 1900, only three states had passed laws bearing on this subject. The first of these was Louisiana in 1896. That old, slow-going, civil law state, was the pioneer in this advanced legislation on the sales of stocks in bulk. By the provisions of that statute, the sale of a stock of merchandise in bulk was forbidden, and any one wilfully or knowingly purchasing a stock of merchandise without first complying with the provisions of the act was guilty of a misdemeanor, punishable by a fine or imprisonment. A conviction for its violation was sustained by the Supreme Court of that state in 1903.

Next came Oregon in February, 1899, with a statute which provided that a sale in bulk without complying with the provisions of the act should "*be conclusively presumed fraudulent and void.*" This was amended two years later by adding two sections, one of which provided that the making of a false oath by the seller in relation to his creditors should be deemed perjury.

This was followed by Minnesota in April, 1899, with a statute in many respects similar to the provisions of our own; the chief difference being that the sale was only "*presumed to be fraudulent and void as to creditors,*" not void.

These were followed by Maryland in 1900; Indiana, Washington, Wisconsin and Tennessee in 1901, and New York and Ohio in 1902.

In 1903 Indiana amended its then existing law, and nine other states and territories, namely, Massachusetts, California, Colorado, Connecticut, Delaware, Georgia, Virginia, Idaho and Oklahoma passed laws of similar import, but varying in phraseology, all of which regulated the sale of stocks in bulk.

In 1904 Congress gave to the District of Columbia a similar statute, and Kentucky passed an act with some distinguishing features, which have, nevertheless, been held constitutional. It provided that such sales "shall be fraudulent and void as against creditors arising out of said stock of merchandise," and also provided that, "if any purchaser fails to give such notice as herein required, he shall hold the merchandise so purchased for the use and benefit of all the creditors of the seller, and shall be responsible to them for the fair value of such part thereof as he, the purchaser, may have transferred or conveyed to others." The same year the New York statute of 1902 being contested in the courts, the legislature of that state amended the act before the decision of the court was reached, thus saving the law, although the original act was subsequently declared unconstitutional by a divided court.

In 1905, Michigan, Illinois, Maine and Pennsylvania were added to the list of states, having statutes regulating the sales of stocks of merchandise in bulk.

In 1907, the legislature of the state of New York again amended the statute of 1904; the chief change in these new laws being that the sale was "presumed to be fraudulent and void," not "void" as in the first act, and the same year the legislatures of Florida, Montana, Nebraska, Nevada, New Jersey, North Carolina and North Dakota also enacted laws of similar import.

Last of all, the legislature of Mississippi has passed an act which not only prohibits sales in bulk, without complying with the provisions of the act, but also provides:

"That in case of the destruction of a stock of merchandise by fire upon which there is insurance against such loss, the holder of such insurance policies shall within five days after such loss notify his creditors to whom he is indebted for merchandise of his loss and the amount of insurance carried; and no such policy or policies of insurance shall be transferred or assigned for ten days after such notice; nor shall any such insurance be paid for fifteen days next after the occurrence of any such fire."

I have given the history of this legislation simply to show what results can be accomplished by the united endeavor of a body of men like the National Association of Credit Men. Their united power for good cannot be overestimated when exerted along proper lines.

The progress of this class of legislation has been so rapid as to cause unfavorable comment by the court of last resort in the state of New York, where *Judge Werner*, in writing the majority opinion of the court, which held the New York statute of 1902 unconstitutional, expressed his opinion of the methods used by the Credit Men's Associations to secure the passage of sales in bulk legislation in such language that I cannot refrain from quoting here. He said:

"Statutes that are passed *pro bono publico* rarely sweep the country with such irresistible momentum, while much fantastic legislation has resulted from organized crusades upon legislatures by the advocates and supporters of special classes. This statute is evidently of that kind, which has been so frequent of late, a kind which is meant to protect some class in the community against the fair, free and full competition of some other class, the members of the former

class thinking it impossible to hold their own against such competition, and, therefore, flying to the legislature to secure some enactment which will operate favorably to them or unfavorably to their competitors."

It requires scarcely a sober second thought to see that there is neither reason nor logic in this statement, when applied to statutes relative to sales in bulk, and it is safe to say that Judge Werner's opinion will not be frequently quoted by other courts, except with dissenting criticism, as the majority of the state courts have upheld acts containing far more drastic measures than the New York statute.

The Michigan sales in bulk act has been before the Supreme Court of the state four times for construction, First, in *Spurr vs. Travis* (145 Mich., 721), decided September 20, 1906, in an opinion by Mr. Justice Montgomery, in which the constitutionality of the act alone was brought in question.

Second, in the case of *Farrer vs. Lonsby Lumber & Coal Company* (148 Mich., 118), decided July 1, 1907; the stock involved was coal and wood. The purchaser gave two notes in payment for the stock, which notes had passed into the hands of two separate banks when proceedings were commenced to avoid the sale. The purchasers conceded that the sale was void, being in violation of Act No. 223 of the Public Acts of 1905, but claimed that the receiver should return his notes or pay them with the money derived from the sale of the goods. He also contended that his bill of sale should be treated as a mortgage. The court held that neither of these contentions could be sustained; that a sale, void as to creditors, cannot as between the parties be made to operate to give the vendee a lien for the money he has paid. That the petitioners were not before a court of equity with clean hands, and were not in a position to ask any remedy in a court of equity.

The third case was *Hannah & Hogg vs. Rickter Brewing Company* (148 Mich., 220), decided July 13, 1907, where the sole question involved was whether the giving of a chattel mortgage is a sale transfer or assignment in bulk within the meaning of Act No. 223 of the Public Acts of 1905. It was there held that chattel mortgages are not included within the act.

The fourth case was the case of *Musselman Grocer Company vs. Kidd, Dater & Price Company* (115 N. W., 409), decided March 17, 1908.

This case furnishes a splendid example of the value of the wording of our statute, namely, that the sale "shall be void," not presumptively fraudulent and void. The case grew out of the following facts: Frank B. Ford, of Berrien Springs, was for a number of years the owner of a double, two-story brick store building, about sixty feet wide and one hundred feet deep, worth about six or seven thousand dollars, in which he carried on a store, consisting of five departments, namely, hardware, buggies and implements, furniture, meat market and grocery. He also owned a small farm near Berrien Springs, and was supposed by everybody to be honest and financially responsible. His wife died, and he began to advertise his stock for sale. He first sold off his carriage and implement stock; then disposed of his farm and store building, retaining possession of the store, however, with his stock of groceries, meats and hardware.

Mr. Dater, of Kidd, Dater & Price Company, wholesale grocers, at Benton Harbor, from whom Mr. Ford had been buying a part of his groceries, went to Mr. Ford and agreed to buy his stock of groceries at ninety cents on the dollar of the cost price, which amounted to \$2,139.14, which was paid by deducting the account of Kidd, Dater & Price Com-

pany \$415.45, the balance being paid in cash. With the exception of taking an inventory at cost price, none of the provisions of the sales in bulk act were complied with. Ford then sold his meat business, and a few days later proposed to sell his hardware business to Mr. Wilson, who had been clerking for him in that department. Mr. Wilson called in an attorney, and proceeded according to the sales in bulk law, and gave the required notice. After the sale of the hardware stock, and before it was fully paid for, the Musselman Grocer Company commenced suit against Ford, and garnisheed Kidd, Dater & Price Company, and the Wilson Hardware Company. The Wilson Hardware Company disclosed that they owed a balance of \$161, which was subsequently paid. Kidd, Dater & Price Company filed a disclosure denying any liability. They were then brought into court for oral examination, and it appeared that they had bought the stock in good faith, believing that Ford still owned the store building, farm and hardware stock, in all worth about \$11,000. Kidd, Dater & Price Company defended on three grounds: First, that garnishment was not the proper remedy, but that a receiver in chancery for the benefit of all creditors was contemplated by section 3 of the act; second, that the purchase having been made in good faith, and not for a fraudulent purpose, an act which made a valid and honest transaction void, was unconstitutional; and third, that the act was in violation of the Constitution of the United States.

The Circuit Court rendered judgment in favor of the Musselman Grocer Company, and against Kidd, Dater & Price Company, and on appeal the Supreme Court of Michigan affirmed the judgment, holding, that it would destroy the intent of the legislature in passing the act, to require the intervention of a court of equity for the appointment of a receiver, and that the creditors of a seller are entitled to proceed by garnishment under a former statute which provides that the garnishee shall be liable for all property or effects of the principal defendant, which such garnishee defendants hold by conveyance, transfer, or title, that is void as to the creditors of the principal defendant.

On the question of the constitutionality of the act, the court simply reaffirmed their former decision in *Spurr vs. Travis*.

Out of thirty-five states and territories, having sales in bulk laws, there are only nine, including Michigan, in which this action could have been maintained. In these nine states, the statute expressly declares such sales to be void. In the other twenty-six, the transfers are made presumptively fraudulent only and the parties are permitted to show their good faith and thus avoid the effect of the prohibition. The nine states prohibit the sale, the others only declare a rule of evidence.

Under this decision, Kidd, Dater & Price Company are liable to the creditors of Ford for the entire purchase price of this stock, and they have taken an appeal to the United States Supreme Court to test the validity of the law.

This appeal will, without doubt, determine the validity of the sale in bulk laws of every state and territory, because the questions raised by the appeal are equally applicable to every one of them, namely:

Does this statute violate section one of the Fourteenth Amendment to the Constitution of the United States, which provides "that no state shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States, nor shall any state deprive any person of life, liberty or property without due process of law, nor deny to any person within its jurisdiction the equal protection of the laws?"

Does this statute violate Section 10 of Article I of the Federal Con-



stitution, which provides that no state shall pass any law impairing the obligation of contracts?

Does it create an unreasonable restraint upon trade, and is it a valid exercise of the police power of the State of Michigan; and further, do the terms of the act make ordinary business transactions which are by the law presumably valid, conclusively dishonest, fraudulent and void?

This appeal, therefore, is of the utmost importance to every credit man in the United States, and while I feel confident that the law will be sustained in the Supreme Court of the United States as it has been in the state court, it is of such vital importance to all that I believe the matter should be brought to the attention of the National Association of Credit Men at its convention in Denver, with a view to allowing that association to share in the expense of having this important question decided by the court of last resort, without putting the entire burden upon a single creditor.

In conclusion I wish to say that with these four decisions of our Supreme Court, we have the best established act of any in the United States to-day, and great credit is due Messrs. Stowe and Hutchins, of the Grand Rapids Association, for their earnest and untiring efforts in insisting upon and securing its passage in its present form.

## THE PROBABLE DURATION OF RECOVERY FROM THE RECENT PANIC.

### Analysis of Previous Panics and Their Periods of Recovery.

FROM AN ADDRESS BY ISAAC H. LIONBERGER, ESQ., BEFORE THE ST. LOUIS CREDIT MEN'S ASSOCIATION.

If no panic had ever occurred in America except under the extraordinary conditions which have for the most part confronted the American people, it might with reason be concluded that these various conditions peculiar to America had brought about such catastrophes. If, on the other hand, panics have occurred everywhere, under all systems of laws, among every people, and have occurred for centuries, it is foolish to give local causes or assign local reasons for such occurrences.

Any student of economic history will discover that there have been panics in every country of the world, under every system of government, at approximately like intervals of time. Macaulay's History contains a wonderfully vivid description of the panic of 1720. There were no less than ten crises in the eighteenth century and ten in the nineteenth century. France has suffered from similar calamities, as have the South American republics, and Germany, Russia, and every other country which may fairly be regarded as civilized.

There is a theoretical explanation of these crises which, if it be not satisfactory to the average business man, is at least deserving of consideration, since it rests upon facts which are significant, intelligible and cogent. This I venture to lay before you.

Among an industrial people the whole problem of society is to produce and distribute wealth of various sorts. It was long ago discovered that wealth is most cheaply produced by a specialization of labor or of industry. Accordingly at present no one produces necessities solely for his own use but mainly, or more probably entirely, for the use of someone else—the shoemaker for the tailor, the tailor for the shoemaker, etc.

Now, it is obvious that panics cannot be caused by any sudden decline in the productive capacity of a people. Human energy, human



intelligence, the fruitfulness of the soil, the power of machinery, are never suddenly diminished. We must, therefore, seek for the cause of crises, if such can be found at all, in some derangement in the *distribution of wealth.*

Distribution involves and is based upon exchange. It is clear that the more specialized the industrial system of a people, the more intricate the relationship between producers and consumers. Each man makes for thousands and each gets from thousands a multitude of articles which human convenience requires from day to day.

Business is good whenever all producers get good prices for all the products of their industry, for a good price means a ready demand, an easy exchange, a speedy distribution. The nominal price makes no difference if only the distribution be fair. If all prices advance equally, no trouble will result. When shoes are a thousand dollars a pair, vests a thousand dollars apiece, and wages a thousand dollars a day, distribution is still possible and trade is still in a healthy condition. If, however, the price of shoes tends to rise to a thousand dollars a pair, and vests remain at \$10 apiece, and wages at \$5 a day, a derangement is inevitable. Less shoes will be bought because less can be bought by the tailor and the laborer. The demand for shoes will fall off therefore and the shoe industry must languish.

If many commodities tend to high or very high prices and many others, such as wages, remain stationary, or nearly so, the derangement will be extensive and industry will languish. A languishing industry involves a diminished demand for the products of other industries, for the purchasing power of the former is thereby lessened. As the disturbance extends, trade is more and more affected, until a distinct reaction in every department of trade is felt.

Disparities in prices are inevitable and always have been everywhere under every system of laws. In America, in the last half decade, for example, wages have not increased as much as the prices of meat and the salaries of clerks have not kept pace with the price of groceries. Some articles have gone to enormously high figures, but the laborer, the clerk, the doctor, the lawyer have had to depend upon relatively fixed incomes. The prices of all the things they consume have gone up. The cost of living has become greater but the income of the average family has not increased in like ratio.

The remedy is obvious. Prices must be readjusted. Those that are too high must come down. People of small and limited incomes must be offered articles at prices which they can afford to pay. A falling market or a declining price adds to the derangement already felt, and a radical readjustment becomes inevitable. A man who cannot buy at \$10 may be induced to buy at \$5. There is no way to ascertain his purchasing power except by offering from time to time at less and less the various commodities which he needs. When prices bring commodities within his reach trade will begin to revive.

Such in brief is the theory of the progress of industrial life among us. Rising prices mean good business; when prices are too high, disaster is inevitable; diminished prices indicate readjustment, and increased demand the commencement of recovery.

The practical significance of this theory to credit men is almost too obvious to deserve discussion. You realize better than I that all the processes of manufacture and all the operations of exchange are conducted upon credit. Manufacturers borrow to buy the raw material; merchants borrow to buy the finished product, and in turn sell upon credit to the local distributors of goods. Even retailers sell

upon time and are in the habit of rendering monthly bills for the sums due them.

These borrowings all down the line require enormous sums of money. Where distribution is upon a sound basis, that is, where prices are good, trade is active and collections easy, the trend and sweep of business is upward. If, however, owing to the causes which I have mentioned, abnormally high prices in certain lines of industry check the capacity of the manufacturer or of the merchant or of the retailer to dispose of goods, there is a corresponding check upon the liquidation of the various debts incurred in the course of distribution. Credits are deranged; the normal progress of liquidation is arrested and suspension or failure is unavoidable.

If no very glaring mistakes have been made, if the right goods have been produced at a proper cost, and the disparity between the price asked and the price which people can afford to pay is trifling; if the right men have been trusted, and the reaction can be met by proper reductions without disaster, the reaction works automatically and is highly beneficial. Under such circumstances, the crisis is wholesome and corrective and its trying effects soon pass away.

If, on the other hand, there has been a fever of speculation, an investment of vast sums in uncertain ventures which cannot be realized upon except after a considerable period of time; if prices have advanced to a point which tempts the manufacturer to enlarge his capacity, the merchant and retailer to lay in a big stock and both to borrow great sums of money in expectation of a great trade; if railroads, feeling the demands of an expanding commerce, have incurred heavy obligations for betterments and equipment; if banks have loaned freely at advancing rates with lessening discrimination; and if, under these circumstances, a great house, a conspicuously sound, much-trusted house, cannot dispose of its goods and is suddenly discovered to be insolvent, the shock is violent and overwhelming and a crisis of a very real sort is precipitated upon the country.

Such a crisis is called a panic. Credit is stopped, liquidation is impossible, trade comes to an end. An universal paralysis follows.

It is obvious that the consequences of every crisis depend upon the number and force of the factors which have contributed to bring it about. A normal crisis, due merely to a slight readjustment of prices, when the derangement has not been excessive, will speedily be followed by a normal and healthy progress. An abnormal crisis, due to a radical and extreme advance in the prices of many commodities, and to all the extravagances, imprudences and mistakes to which I have referred, will last longer and require more—far more time, for readjustment. Prices must be radically reduced, and out of diminished profits and assets, debts must be paid. That many failures are inevitable under such circumstances is obvious. Failures involve loss to banks, the discharge of many workmen, cuts in wages, a diminished demand for all sorts of commodities, and a languishing trade. The period of this depression will depend upon the thoroughness of the readjustment. If the chaff be separated from the wheat, if all bad debts are marked off, if prices are quickly brought to a level within the reach of the average purse, if badly managed railroads are foreclosed and reorganized, the bottom will soon be reached; but if, whether by reason of sentiment, or fear, or blind optimism, the liquidation be otherwise than thorough and drastic, the period of prostration will necessarily be prolonged.

These things are too evident to require discussion. It only

remains to ascertain the causes, occasion and progress of the recent crisis, and to compare them with those in other crises that have brought about similar catastrophes, if we would arrive at any sane conclusion with respect to the duration of the present distress.

Among the causes which contributed to the panic of 1907, the chief was undoubtedly the great rise in the prices of commodities. In May of 1902 a selected list of goods cost \$2,020; in May, 1907, the same goods cost \$2,600. The cost of living had become a heavy burden upon the average man; his purchasing power had become distinctly less than for many years. Speculation of every sort had reached alarming dimensions. Immense sums had been put into the manufacturing plants and railroads of the country. Many millions of capital had been lost in fires and earthquakes. Rogues had obtained control of and wasted or appropriated many millions of trust funds. The discounts of the banks had reached unprecedented dimensions and reserves had sunk below the line of safety. One of the largest and oldest and most respected print manufacturers in the country failed. One of the largest trust companies in the country suspended. Fear became universal, hoarding commenced, all the banks everywhere suspended payment, collections became impossible, no man could pay his debts.

It is hardly necessary to suggest to you the innumerable other factors of disaster which have been observable during the last two years. They indicated and caused one of the severest and most injurious crises in our history.

The question on everybody's tongue is—has the subsequent course of events justified the conviction that the period of depression which must follow all panics will be unusually prolonged, or unusually brief? I think it will be prolonged rather than short, and I submit the following facts to your candid consideration:

1. The universal suspension of the banks involved, as an incident, the suspension of many mercantile accounts. A suspending bank cannot with a good face force a borrower to pay.

2. The liquidation of debts, the necessary separation of wheat from the chaff, has been delayed by such suspension.

3. Many prices have not yet yielded to the impact of events. Steel is still high. Men have confederated to keep up prices, to advance rates, to keep up wages.

4. The check to business was complete, trade is still relatively dull, profits tend to diminish.

5. Railroads have not been compelled to reorganize. With a diminishing business, they are confronted by interest and maintenance charges which they could not carry even in a period of unexampled prosperity.

6. Failures have been more numerous than ever before.

If it be admitted that these symptoms are ominous of delay and that we are to expect a period of depression at least as long as those that have followed similar crises, what should we expect?

I have been unable to gather all or even many of the facts of our industrial history, but I submit a few which in my opinion are of the utmost significance:

Foreign trade per capita, United States.

1873.....	\$28.00;	1878.....	\$24.00
1883.....	28.00;	1888.....	24.00
1893.....	26.00;	1898.....	25.00

Bank Clearings, New York Banks.

1873.....	35 billions;	1878.....	22 billions
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1883.....40 billions;	1888.....30 billions
1893.....35 "	1898.....35 "

Workmen employed in Great Britain.

1873.....99%;	1878.....89%
1883.....98%;	1886.....92%
1890.....98%;	1894.....94%

Failures, United States, four months.

1894, 5,257; amount, \$76,000,000; 1908, 6,061; amount, \$98,000,000.

These facts indicate that under different conditions in different countries, at different periods, the depression which follows a panic usually lasts from three to five years.

In France, a conservative country, whose people are notoriously the most careful and provident, and whose Bank is the best in the world, the average time required for recovery from crises is four years. The following table, taken from the books of the Bank of France, shows the actual interval between the date of each crisis and the beginning of the subsequent recovery:

Panic 1847.....	low point 1852
1857.....	" " 1859
1864.....	" " 1868
1873.....	" " 1877
1882.....	" " 1886
1891.....	" " 1895
1900.....	" " 1903

I am therefore forced by historical perspective to the conclusion that not less than three years must pass before we reach the lowest point of industrial depression after the panic of 1907. A good crop cannot hasten the recovery. It will increase our wealth, but cannot prevent the readjustment of our industries and the necessity of separating the good from the bad. It cannot repair instantly the waste of years of extravagance, of fraud and of improvidence, and in this connection I recall to you the fact that the crop of 1894 was the largest on record.

I regret to be forced to this unwelcome conclusion, but my chagrin is lessened by the fact that at such a time as the present the theories of the economists, however interesting, however significant, however sound, are not apt to impair the general confidence. That I am not alone in the conviction expressed is evident from the following quotation from the writings of an economist of high reputation, who has devoted much time to the consideration of panics. What he says was said of an ancient panic, but it is in my opinion true of the panic of 1907.

"If one glances over the great European panics as well as American, he will find without exception the following phenomena, in the following order of succession: Failure of one institution of high popular esteem; run of depositors on other institutions; a day of panic among bankers, and suspension of credit generally; relief through emergency expedients; import of foreign gold; gradual recovery; premature optimism; and prolonged depression."

That we have reached the stage of premature optimism I think evident. To diminish the general joy is beyond the power of any man. To afford food for reflection to reasonable men is however under such circumstances not altogether foolish. You gentlemen should know better than I the financial history of St. Louis. Many of you can recall the year 1894, and many of you also remember the year 1897. I cannot avoid the conclusion that the panic of 1907 was worse than the panic of 1893, and that its effects will be felt for a longer period of time.

## LOCAL ASSOCIATION NOTES.

### Buffalo.

The Buffalo Credit Men's Association held its annual outing June 26, 1908. The outing consisted of a trip down the Niagara River, the boat leaving Buffalo early in the afternoon. A landing was made and ball games and other athletic events were indulged in. Supper was then served on the boat to nearly a hundred members and their friends. The outing proved a very successful affair.

### Cleveland.

The Cleveland Association of Credit Men held its annual outing at Willough Beach Park, July 22, 150 members with their ladies attending.

A committee on sports and games had arranged a number of very amusing events for the ladies to take part in as well as the men and there were plenty of prizes for the winners.

After dinner had been served the party was given a stereopticon exhibition, which gave a panoramic sketch of the recent trip of the Cleveland delegation through Colorado, Utah and the Yellowstone Park. The slides were made from pictures taken by the members on the trip, and the comments and explanations made by Mr. New, who acted as lecturer, as the pictures were thrown on the screen, were received with great applause.

This entertainment was followed by accounts of the annual convention presented by several of the delegates, all of whom told of the unbounded hospitality of the members of the Denver association. President Pearce named a committee to draft resolutions expressing the thanks of the Cleveland association for the generosity and many acts of courtesy showered on its delegates by the members at Omaha, Denver and Salt Lake City.

E. P. Beebe made the closing address of the day an occasion to sound the praises of W. M. Pattison, who had performed so perfectly all the arrangements for the transportation of the Cleveland party, and immediately demanded that Mr. Pattison direct this department for all future annual conventions.

### Chicago.

The annual meeting of the Chicago Credit Men's Association was held at the Mid Day Club, May 20th. After dinner was served an address of unusual interest was presented by the Hon. M. Bruggemeyer, Judge of the Municipal Court on "The Trend of the Times."

Then followed the annual reports of officers and committees, all indicating not only a healthy condition throughout the association, but most gratifying results attained in many departments of work during the year; particularly was this true of the adjustment bureau work, which for its first year presented figures showing that remarkable efficiency had been reached by the bureau as a liquidating medium in the few months of its existence.

The election of officers for the new year resulted in the selection of the following: S. J. Whitlock, president; Henry Fornooff, first vice-president; R. M. Stewart, second vice-president; W. J. Lawlor, treasurer, and John Griggs, secretary.

At the conclusion of the evening's business, President-elect Whitlock was introduced and pledged his highest effort for the association during the coming year and asked for the hearty co-operation of every member in this effort.



### Dallas.

That the spirit of co-operation runs high in Texas was made clear at the joint session of the Dallas Implement, Vehicle and Machinery Club and the Dallas Association of Credit Men held June 8th at the Oriental Hotel. The subjects before the session were "Business Conditions" and "Fewer and Better Laws for Texas."

Mayor S. J. Hay acted as toastmaster and Paul Waples, of the Waples-Platter Grocer Company, of Fort Worth, chairman of the Legislative Committee of the Commercial Secretaries' Association of Texas, told of the movement set on foot by his association for fewer but better laws. He said that Texas must show the outside world that the day of drastic legislation in the state has passed.

W. J. B. Patterson, editor of the *Texas Banker*, paid a splendid compliment to the credit men's associations in Texas for their prompt action in preparing and distributing during the panic of last fall a statement of the great resources of the state. This statement, he had reason to believe, had a great influence in restoring confidence among the citizens of the state and also with the merchants and bankers who had interests at stake in Texas.

A. P. Foute, of the Fort Worth Association of Credit Men, asked the members of both associations represented at the gathering to work for the passage in the next legislature of a bulk sales measure which has been proved in so many states an effective means of stopping the sale in bulk of unpaid-for stocks of merchandise.

Gen. M. M. Crane blamed business men for not going into the primaries. He said that Texas could not get along with few laws; most of those on the statute books were constructed along proper lines, but were crude and ought to be corrected. He advised only just laws, and said that if the business man would go to the farmers and labor unions they would be with them.

J. Howard Ardrey, Frank P. Holland and Adolph Boldt also made addresses.

### Des Moines.

The Des Moines Credit Men's Association held its annual meeting July 14th, at Hotel Chamberlin.

Besides the election of officers for the ensuing year the principal matter of business was the report of the Legislative Committee in which was set forth definite plans for a campaign to secure the enactment of a sales in bulk law for Iowa at the coming legislative session. The report was received with such enthusiasm as betokens better success for that measure than has resulted from past attempts to secure the enactment of the law.

In this connection R. O. Green, of Fort Dodge, delivered a stirring address urging that all the membership throughout the state, work to strengthen first of all the National Association of Credit Men in Iowa as the best means of securing wider attention to such legislation and credit conditions as the Association aims to bring about, for he declared that the Association must have a wider influence from one end of the state to the other to secure proper attention to its work.

The delegates to the Denver Convention made interesting reports, after which the election of officers took place resulting in the following selection: H. F. Shepherd as president, and Charles R. Cownie as vice-president.

### Duluth.

The Jobbers' Credit Association held its regular meeting and banquet June 4th in the St. Louis Hotel, with a large attendance.

President Cross called the meeting to order and referred to the loss which had been suffered by the association in the death of one of the charter members, Frederick W. Parsons, of the Marshall-Wells Hardware Company. Appropriate minutes were then presented (printed elsewhere in this issue) and ordered made a part of the records of the association.

Oscar Lonegren, secretary of the L. W. Leithhead Drug Company, addressed the meeting on greater loyalty for the association, urging every member to take hold and push forward the splendid work already begun and especially to co-operate to perfect the system of exchanging credit reports among the members.

B. P. Neff, sales manager of F. A. Patrick & Co., spoke of the advantages which arise in every concern from co-operation between sales and credit departments, and closed his address by urging every member of the association to bend his energies for a "bigger and greater Duluth."

### Lexington.

The Lexington Credit Men's Association held a mid-summer meeting July 9th at the Phoenix Hotel. The principal guests were President Gettys, of the National Association, and W. J. Gilsdorf, inspector of the local fire insurance board. Though Lexington is in Mr. Gettys' state this was the first time the association there had had the honor of entertaining him.

Mr. Gettys told of the doings of the convention held by the National Association at Denver and of the spirit of earnestness and determination there exhibited to make the coming year one of great progress and fruitfulness in Association work.

Mr. Gilsdorf urged upon the business and credit men of Lexington to assist the insurance companies in obtaining better building regulations and in encouraging the country and small town merchants to give attention to fire protection with a view to getting with such improvements lower rates for their risks. Mr. Gilsdorf pointed out that there is not so much reason as appears on the surface for the country merchant to complain of his fire rates, because his excess in this respect is more than offset by the tax which the city merchant has to meet to provide fire protection, for the existence of which it is only right the companies should grant allowances.

Joseph Le Compte, of the Lexington Roller Mills Co., urged the feasibility and advisability of the Lexington association providing an investigation and prosecution fund with which to follow up cases of failure in which fraud is presumed to have entered. He felt that the first requisite in establishing such a fund was that those going into it should agree not to accept settlement in any case which might be in the hands of the prosecuting committee without the consent of a majority of those interested.

It was voted to take up the question discussed by Mr. Le Compte at the next meeting of the association.

J. Clay Hunt made a strong plea for co-operation on the part of every member to make a success of the exchange of information bureau by placing the bureau in possession of all the information which would be of value to its files.

### Lynchburg.

On May 28th the Lynchburg Credit Mens' Association held its annual meeting and elected the following as the officers for the ensuing year: Edward F. Sheffey, president; H. H. Harris, Jr., vice-president; L. D. Horner, second vice-president; J. M. Funkhouser, secretary and treasurer.

The association decided to hold its first fall meeting at the call of the executive committee during October, and make it a special rally, with a banquet, in order to bring the association more prominently before a number of concerns which should become members.

The newly-elected president pointed out many important lines of work which Lynchburg credit men should undertake at once, and promised that the executive committee would lead the association during the coming year into at least some of these undertakings.

### Louisville.

The members of the Louisville Credit Men's Association mingled pleasure with business in an outing and meeting held July 20, on the Ohio River steamer, Hiawatha. The main object of the meeting was to welcome home the Louisville delegation to the Denver Convention and hear their reports.

The members responded heartily to the invitation to bring their lady friends, and, besides, the association had the pleasure of entertaining the Hon. Swager Sherley, well known to all the members of the National Association as its advocate in Congress of the bankruptcy amendment bill; Frank T. Day, president of the Indianapolis Association of Credit Men; W. P. Peter, secretary of the Dallas Association of Credit Men, and, of course, President Frank M. Gettys, of the National Association.

President Scales, of the Louisville association, introduced Mr. Sherley, as "Our Champion." Mr. Sherley told of the pronounced opposition he had found to the bankruptcy law on the part of the representatives in Congress from the south and west. He said one of the difficulties is that the Association bill is purely technical and commands, therefore, no popular interest; there is, therefore, more than the ordinary inertia about such a bill. Besides, as Mr. Sherley pointed out, Congress was busy beyond description at the last session with 40,000 bills introduced and supply bills totaling over \$1,000,000,000 passed.

But, said Mr. Sherley, the bankruptcy bill is at least in this advantageous position—it is on the calendar and would be the first bill considered at the next session, and he felt sure it would be on the statute books before the passing of the sixtieth Congress. Mr. Sherley declared that the thing to do is to work quietly but vigorously between now and the opening of Congress and secure from the national legislators everywhere interest in the bankruptcy amendments.

M. H. Moise and S. B. Lynd, delegates to the convention, followed, giving their impression of the Denver Convention. Mr. Lynd said that the bankers were particularly interested in what the credit men in the country are doing, that many bankers of prominence had been in attendance and had found the meetings satisfactory and satisfying.

Frank T. Day, in an address of great earnestness, urged that credit men everywhere get away from dependence upon fragile intuition

and insist upon getting and base their calculations upon property statements and ledger information.

W. P. Peter, who has been to many conventions of the National Association, told of the rapid headway credit men are making in the southwest and expressed the hope that the credit men from all over the nation would soon come to Dallas for their convention and see how the credit men there could extend hospitality.

S. A. Hilpp referred to Mr. Day's address and urged that if the members of the association sought to give each other the fullest information possible about customers and thus daily prove the helpfulness of the association to the members, every house in Louisville would promptly have to seek membership.

President Gettys gave a brief talk on convention matters and the outlook for the new year of work for the Association, after which J. J. Flynn, of the First National Bank, impersonating President Roosevelt, was escorted into the assembly and delivered himself of a humorous address touching upon well-known "simple life," "big stick," and "expansion policies" subjects. Then followed a program of music, after which there was dancing on the deck till the landing was made. The evening was declared by all a great success.

#### Oklahoma City.

The regular monthly meeting of the Oklahoma City Credit Men's Association was held at the Savoy Hotel, June 9th.

The Membership Committee made a report recommending that the president appoint two teams to compete during the next sixty days for the honors in securing increased membership, the losing team to banquet its successful opponents at the conclusion of the contest. The suggestion of the committee was received heartily, and the president appointed A. R. Parker and Frederick Miller each a captain of a committee of six for membership contest.

The rules for the governance of the adjustment bureau were presented and discussed. The management is to rest in a committee made up of three from the membership elected by secret ballot at the annual meetings at which the officers are elected and this committee is to have full charge of the affairs of the bureau. The following are members of the committee until the next annual meeting: R. R. Bush, of Kingman-Moore Implement Co.; A. W. Boyd, of Oklahoma City Hardware Co.; Eugene Miller, of Kerfoot, Miller & Co. The committee reported that George E. Black had been appointed manager of the bureau with offices at 538 Bassett Building.

#### Pittsburgh.

The Pittsburgh Association of Credit Men gave a luncheon at the Hotel Lincoln roof garden, July 22, to W. A. Given, in honor of his election to the office of second vice-president of the National Association of Credit Men. President Enoch Rauh presided and welcomed Mr. Given in a cordial speech to which Mr. Given replied telling also of the doings of the convention.

Twenty new members were received into the association and the Membership Committee announced that it had set the mark at a membership of five hundred to be reached during the year.

An impromptu vote was taken on the candidates for the presidency of the United States resulting in Mr. Taft receiving fifty votes, Mr. Bryan nine and Mr. Chapin one.



### Portland.

The Portland Association of Credit Men held its regular monthly meeting at the Commercial Club, June 17th. The secretary announced that eleven new members had been received into the association since the last meeting, which makes an increase of over thirty per cent. (30%) in the membership since January 1st. The secretary also presented some important correspondence from the National Office which pointed very emphatically to the necessity of every business man looking carefully before entering into contracts with collection agencies which are too often the most plausible institutions the credit man has to do with.

S. P. Lockwood then addressed the meeting on "Life Insurance," showing to what large proportions this business had grown in the United States, and describing some of the newer policies which seek to protect beneficiaries through a long term of years instead of paying large sums to them at one time with all the danger of speedily being squandered or lost. Mr. Lockwood also showed how important as a means of tiding families over hard times, the loan value of policies had become and presented the impressive figures of loans made during the past six months by insurance companies to their policy holders, the larger number of whom probably had no other means of securing loans.

Again as a matter of interest to the credit man was brought out the practice of partners and members of corporations insuring to give stability to a business in case of a death which would cripple the house or to help in straightening out a partner's or officer's affairs after death. Mr. Lockwood declared that this had become an important function of life insurance in business affairs.

Another matter brought out by Mr. Lockwood was the assignment of the life policy which he pointed out was very different from other assignments. He showed that it required the greatest vigilance to comply with the special laws of the state in which the assignment is made, otherwise the assignment may be easily annulled.

After Mr. Lockwood had finished his address a general discussion took place in which several experiences touching life policies which had come under the observation of the members present were brought out.

The Portland Association of Credit Men also held a meeting July 15th, this being the annual meeting.

The following officers were elected for the ensuing year: E. E. Tressler, president; H. K. Arnold, vice-president; E. M. Underwood, secretary; John A. Keating, treasurer.

The report of the retiring officers showed that the past year had been one of the best that the association has ever experienced. It was shown that there had been a net increase in the active membership of twenty-four and a net increase in the average attendance at meetings of fourteen, and that increase in attendance had been largely in the old membership, as practically all the new members had been admitted in the last two months. Encouraged by the success of the past year, the members are looking forward to even a better year to come.

The address of the evening was given by Charles T. Hughes, on the subject "Fidelity Bonds." After giving a brief history of fidelity insurance, showing that this business is still in its infancy, Mr. Hughes called attention to the fact that the business of fidelity insurance is an especially optimistic business.

As an illustration of his meaning he cited the instance of the president of one of the largest surety companies taking part in this conversation: Being asked, "May it not be said that the surety busi-

ness is founded on the truth underlying the old proverb, 'Honesty is the best policy' and that the millions of dollars invested in it are risked on the assumption that most men are honest?" he replied, "Do not say that we risk our capital. There is no risk. Change the word 'assumption' to the word 'knowledge.' We know that most men are honest. We have proved the idea. We are simply merchants. We buy honestly, sell it at a profit, and we consider that our traffic does not impair, but rather preserves and enhances the value of our merchandise. For example: We bond any man who handles money, guaranteeing the owners of the money against loss through the possible dishonesty of its handler. We charge  $\frac{1}{2}$  to 1 per cent. of the amount of the bond. No gambler in his senses would take these odds; but we are not gamblers, we are business men operating a sure thing. We absolutely know that we are on the safe side. We know that nine hundred and ninety-nine men in one thousand are honest. Of course, not all surety bonding companies succeed. Not all can make profits. This, however, is because they are not properly managed. The business itself is built upon the bed-rock—unalterable human honesty."

Mr. Hughes said we see the headlines in the papers and cannot understand how such a statement as this can be true; but he also called attention to the fact that while dishonesty seems to be rampant, the honest, stable folk supply no sensational stories, for we do not interview or celebrate the humdrum, steady, honest people; it is the one defaulter out of a thousand money handlers of whom we hear. He also called attention to the fact that should the surety company be compelled to make good the defalcation of a dishonest man, it never quits its pursuit of him until he is punished.

Mr. Hughes also spoke of the elements that affect risks, and showed how thoroughly a man's record is traced back before a bond is issued, just as the credit man analyzes a credit risk. Mr. Hughes pointed out that as a class, state, county and city officials are not as safe risks as the employees of mercantile concerns, probably because public officials are inexperienced in the work that they are performing, and so are more liable to mistakes; others fail to take the same precaution with public funds that they would were their own funds at stake. This statement applies less to men serving in the federal government, as the federal government has more advanced systems of auditing, and perhaps is more vigorous in its prosecution of fraud than state and municipal governments.

Mr. Hughes called attention to the fact also that the surety company was in a position to keep in closer touch with the assured than is the employer or private bondsman, and while there might be cases in which a private bondsman would hesitate to investigate the conduct of an assured, the bonding company would have no hesitancy in watching his habits and records closely, as it is purely a business proposition with them. In closing his talk, Mr. Hughes stated that many men are kept honest by safeguards thrown around them, some by fear of detection, others by pride, a few by fear of punishment, but the great majority are faithful from a keen sense of honesty and integrity and that to this righteous sense we can always safely appeal, and it should be cultivated by the encouragement and praise of every right-thinking American. So thoroughly are the surety men imbued by the belief that Americans are not as a whole disposed to the dishonest acquisition of riches that they bank their money on the integrity of the individual, and find in such an investment goodly profits.

Mr. Hughes' address was especially interesting and instructive,

and the valuable feature of his talk was that nearly every point that he brought up was applicable to the credit man's work in passing on applications for credit.

At the close of his address, every member present joined with the president in thanking Mr. Hughes for his most excellent talk.

### Youngstown.

The Youngstown Credit Men's Association held its seventh annual meeting and banquet May 27th. At this meeting the directors for the coming year were elected and they in turn elected the new board of officers, which are F. E. Hearn, president; J. C. Leavitt, vice-president; Charles R. Wilson, treasurer, and W. C. McKain, secretary and also manager of the Adjustment Bureau Department.

The meeting was very largely attended, eighty-two members being present. An address was made by Thomas H. Wilson, vice-president of the First National Bank of Cleveland, on "Business Methods, Old and New;" also addresses by the Hon. R. C. Huey, on "Business Legislation of the Last State Legislature," and S. D. L. Jackson, who spoke on "Things and Things in General."

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### WANTS.

**OFFICE MANAGER** wants position with wholesale or manufacturing concern. Has had seven years' of experience with largest manufacturers in the South. Satisfactory reasons for making change, and references furnished. Communicate with P. O. Box 392, Lynchburg, Va.

**OPENING** with good future prospects desired by credit man; age 29; four years' successful experience as credit, collection and office executive with large woolen and worsted goods mill. Also competent shorthand writer and qualified for private secretarial work. Reference, present employers. Address V. M. E., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**WANTED**—By a young man who has had excellent training and experience in credit department work under the best of tutelage, a position in a house offering a wider field than in his present position. Is used to handling a large correspondence and to analyzing statements as basis for credit. The best of references will be given and bond can be furnished. Address P. L. O., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**AN OPENING** is wanted by man of 30 as credit man or private secretary. Has had four years' of experience in credits and collections. Ten years in general office lines. Thoroughly familiar with modern accounting methods, good correspondent, a hard worker. Desires position where ability and devotion to business will bring recognition. Best of references furnished. Would prefer location in the middle west. Address W. Y. A., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**MANAGER OR CREDIT MAN**—Man 35 years of age, now secretary of a large jobbing house in the middle west, desires connection with jobbing or manufacturing concern. Experienced in every detail of business management, handling salesmen, organization, office systematizing, etc. Location immaterial. Address I. M. C., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**WANTED** position as credit man and office manager by an experienced and energetic man who has until recently been connected with a large corporation in New York in a similar position. Has had nine years' experience and a very successful record in handling credits. Unquestionable references furnished. Address C. C. F., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**SITUATION WANTED**—A hustling, wide-awake, systematic collector and accountant, employing up-to-date methods, and having ten years' office experience, familiar with credit analysis and a good judge of men and conditions, desires situation as collection manager or credit man with a progressive firm. Age 29, married. Address B. F., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**OPENING WANTED** in a concern where there is opportunity for advancement by attorney now employed in credit and collection department New York branch of large corporation. Reference, present employer. Address No. 1110, care Chas. E. Meek, 41 Park Row, New York, N. Y.

**WANTED** an opening as credit man by a party who for several years acted as secretary and treasurer of a large corporation and for the past four years has been a successful credit manager in a company operating four factory plants; is seeking a broader field where results will have compensating rewards. His good judgment of human nature, quick analysis of statements and general adaptability to credit work are proven by the small losses his concerns have had in doing business of large proportions. Is a well-trained executive systematizing work, and making a specialty of accounting, correspondence, and making collections while holding the trade. High credentials; American; age, 39; married. Address L. G. B., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**AN OPENING** is presented in a well-established flour-milling business for a man thoroughly acquainted with accounting and bookkeeping who can make a small investment in the capital stock of the concern. Address W. H. J., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**OFFICE MAN** of seventeen years' experience in commercial lines desires to communicate with parties seeking competent assistant. Private secretary, records and systems, filing, credits. Address No. 555, care Chas. E. Meek, 41 Park Row, New York, N. Y.

**POSITION** is wanted by man 27 years old, eleven years' experience, ten of which were served with one house in charge of credits, collections and accounting departments. References first class, and ready for immediate engagement. Address E. C. T., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**WANTED** position as manager or cashier and confidential man where experience and integrity counts. Have always held first-class positions in bank, manufacturing plant and mill supplies house. Have been with present concern over ten years. The reason for desiring to change is absence of chance to advance. Am single. Ready to go to any large center. Can give abundant references. Address S. M. V. J., care Chas. E. Meek, 41 Park Row, New York, N. Y.

**BUSINESS OPPORTUNITY**—A paint manufacturing business, well started in a small way, producing splendid goods, wishes to expand. A practical plan of expansion has been devised. Would make a good opening for the right man able to invest, say, \$3,000, and devote his time to the business. General business experience or salesmanship qualities required. Address No. 666, care Chas. E. Meek, 41 Park Row, New York, N. Y.

## Directory of Officers of the Affiliated Branches of the National Association of Credit Men.

**ATLANTA, GA.**—The Credit Men's Association of Atlanta. President, H. E. Choate, J. E. Orr Shoe Co.; Secretary, E. L. Rhodes, Ernest L. Rhodes & Co.

**BALTIMORE, MD.**—The Credit Men's Association of Baltimore. President, F. J. La Motte, The Chesapeake Shoe Co.; Secretary, S. D. Buck, Maryland Bldg.

**BIRMINGHAM, ALA.**—Birmingham Credit Men's Association. President, H. W. Coffin, Moore & Handley Hdw. Co.; Secretary, G. B. McVay, Amzi Godden Seed Co.; Assistant Secretary, R. H. Eggleston.

**BOISE, IDAHO.**—The Boise Association of Credit Men, Ltd. President, J. G. H. Graveley, Capital Brokerage and Comm. Co.; Secretary, Charles P. McCarthy, Room 1, Pioneer Bldg.

**BOSTON, MASS.**—Boston Credit Men's Association. President, Geo. H. Graves, Walworth Mfg. Co.; Secretary, Chas. L. Bird, 77 Summer Street.

**BUFFALO, N. Y.**—Buffalo Credit Men's Association. President, W. L. Fox, Buffalo Forge Co.; Secretary, Fred Whittlesey, 30 Erie Street.

**BUTTE, MONT.**—Butte Association of Credit Men. President, Chas. E. Virden, Ryan & Newton Co.; Secretary, R. Frank Casey, Casey Candy Co.

**CHARLESTON, S. C.**—Charleston Association of Credit Men. President, B. F. McLeod, Drake-Inness-Green Shoe Co.; Secretary, H. D. Lubs, C. D. Franke & Co.

**CHARLESTON, W. VA.**—Charleston Association of Credit Men. President, C. C. Lewis, Jr., Lewis, Hubbard & Co.; Secretary-Treasurer, C. F. Armitage, Payne Shoe Co.

**CHATTANOOGA, TENN.**—Chattanooga Association of Credit Men. President, J. H. Allison, J. H. Allison & Co.; Secretary, W. B. Royter, Chamber of Commerce.

**CHICAGO, ILL.**—The Chicago Credit Men's Association. President, S. J. Whitlock, Belding Bros. & Co.; Secretary, John Griggs, 218 La Salle Street.

**CINCINNATI, O.**—The Cincinnati Credit Men's Association. President, Samuel Mayer, Isaac Faller's Sons Co.; Secretary, Henry Bentley, 1201 Union Trust Bldg.

**CLEVELAND, O.**—Cleveland Association of Credit Men. President, J. B. Pearce, J. B. Pearce Co.; Secretary, Kenneth R. Taylor, 812 Park Bldg.

**COLUMBUS, O.**—Columbus Credit Men's Association. President, O. H. Perry, Columbus Buggy Co.; Secretary, Benson G. Watson, 601-605 The New First National Bank Bldg.



DALLAS, TEX.—Dallas Association of Credit Men. President, H. P. McKnight, Texas Drug Co.; Secretary, W. P. Peter, 214-218 Linz Bldg.

DENVER, COLO.—The Denver Credit Men's Association. President, R. R. Gillette, J. S. Brown & Bro. Merc. Co.; Secretary, Karl K. Mayer, Kuner Pickle Co.; Assistant Secretary, H. A. C. Mathew, 407-408 Sugar Bldg.

DES MOINES, IA.—Des Moines Credit Men's Association. President, H. F. Shepherd, Iowa Drug Co.; Secretary, D. M. Douglass, Bentley & Olmsted Co.

DETROIT, MICH.—Detroit Credit Men's Association. President, Edmund Hobbs, Detroit Heating and Lighting Co.; Secretary, W. S. Campbell, 610 Moffat Building.

DULUTH, MINN.—The Jobbers' Credit Association. (Duluth Superior). President, W. B. Cross, F. A. Patrick & Co.; Assistant Secretary, F. H. Green, 305 Burrows Bldg.

EL PASO, TEX.—El Paso Association of Credit Men. President, James A. Dick, The James A. Dick Co.; Secretary, W. S. Crombie, W. S. Crombie & Co.

FARGO, N. D.—Fargo Association of Credit Men. President, Nelson A. Burdick, Hall-Robertson Hdw. Co.; Secretary, C. H. Barber, The Porte Co.

FORT WORTH, TEX.—Fort Worth Association of Credit Men. President, R. P. Smith, Kokomo Steel and Wire Co.; Secretary, Geo. Q. McGown, Reynolds Bldg.

GRAND RAPIDS, MICH.—Grand Rapids Credit Men's Association. President, W. K. Plumb, National Biscuit Co.; Secretary, A. K. Tyson, Powers-Tyson Printing Co.

HOUSTON, TEX.—Houston Association of Credit Men. President, E. A. Peden, Peden Iron and Steel Co.; Secretary, Sterling Myer, Hunt, Myer & Townes.

HUNTINGTON, W. VA.—Huntington Association of Credit Men. President, J. F. Ratcliff, Hagen, Ratcliff & Co.; Sec. Treas., J. T. McClintock, Watts, Ritter & Co.

INDIANAPOLIS, IND.—Indianapolis Association of Credit Men. President, Frank T. Day, Havens & Geddes Co.; Secretary, H. C. Ryker, C. W. Laffer Hat Co.

JACKSONVILLE, FLA.—Jacksonville Credit Men's Association. President, R. V. Covington, Covington Co.; Secretary, J. W. Clark.

KANSAS CITY, MO.—Kansas City Association of Credit Men. President, H. G. Moore, Big Four Implement Co.; Secretary, Frank W. Yale, 315 Dwight Bldg.

LEXINGTON, KY.—Lexington Credit Men's Association. President, R. D. Norwood, Curry, Tannis & Norwood; Secretary, C. L. Williamson, McClelland Bldg.

LINCOLN, NEB.—Lincoln Credit Men's Association. President, H. B. Trigg, Grain-grer Bros. Co.; Secretary, E. G. Evans, Henkle & Joyce Hdw. Co.

LITTLE ROCK, ARK.—Little Rock Association of Credit Men. President, Max Mayer, Scott-Mayer Commission Co.; Secretary, Frank T. Longley, 219½ Main St.

LOS ANGELES, CAL.—Los Angeles Credit Men's Association. President, Herman Flatau, M. A. Newmark & Co.; Secretary, W. C. Mushet, 323 Bullard Bldg.

LOUISVILLE, KY.—Louisville Credit Men's Association. President, J. H. Scales, The Belknap Hdw. and Mfg. Co.; Secretary, Walter Walker, U. S. Trust Co. Bldg.

LYNCHBURG, VA.—Lynchburg Credit Men's Association. President, Edward F. Sheffey, Craddock-Terry Co.; Secretary, J. M. Funkhouser, Smith-Briscoe Shoe Co.

MEMPHIS, TENN.—The Memphis Credit Men's Association. President, C. S. Faxon, Carruthers-Jones Shoe Co.; Secretary, C. S. Dashiell, Business Men's Club Bldg., 78-81 Monroe Ave.

MILWAUKEE, WIS.—The Milwaukee Association of Credit Men. President, Harry L. Eisen, Landauer & Co.; Secretary, H. M. Battin, Standard Oil Co.

MINNEAPOLIS, MINN.—Minneapolis Credit Men's Association. President, W. G. Jordan, W. B. & W. G. Jordan; Secretary, M. C. Badger, Patterson & Stevenson Co.

MONTGOMERY, ALA.—Montgomery Association of Credit Men. President, B. Frank, Steiner, Lohman & Frank; Secretary, Wm. E. Pitts, C. F. Moritz & Co.

NASHVILLE, TENN.—Nashville Credit Men's Association. President, W. H. Harrison, care Cummins Station; Secretary, George M. Thomas, 307 Stahlman Bldg.; Assistant Secretary, Charles H. Warwick.

NEWARK, N. J.—Newark Association of Credit Men. President, W. A. Hart, L. S. Flaut & Co.; Secretary, J. Fred Braun, J. J. Hockenjos Co.

NEW ORLEANS, LA.—New Orleans Credit Men's Association. President, George K. Smith, Simonds Mfg. Co., Ltd.; Secretary, T. J. Bartlette, Williams, Richardson & Co., Ltd.

NEW YORK, N. Y.—The New York Credit Men's Association. President, W. S. Armstrong, 320 Broadway; Secretary, A. H. Alexander, 320 Broadway.

NORFOLK, VA.—Norfolk Association of Credit Men. President, H. G. Barbee, Harris-Woodson Co.; Secretary, C. L. Whitchard, Whitchard Brothers Co.

OKLAHOMA CITY, OKLA.—Oklahoma City Credit Men's Association. President, J. E. O'Neil, Richards & Conover Hdw. Co.; Secretary, George H. Thomas, The Credit Clearing House.

OMAHA, NEB.—The Omaha Association of Credit Men. President, C. M. Russell, M. E. Smith & Co.; Secretary, E. G. Jones, Credit Clearing House.

PHILADELPHIA, PA.—The Philadelphia Credit Men's Association. President, Charles G. Rapp, Young, Smyth, Field Co.; Secretary, S. W. Severson, Room 801, 1011 Chestnut St.

PITTSBURGH, PA.—Pittsburgh Association of Credit Men. President, Enoch Rauh, Rauh Bros. & Co.; Secretary, A. C. Ellis, 716 Frick Bldg.

PORTLAND, ORE.—Portland Association of Credit Men. President, E. E. Tressler, Simonds Mfg. Co.; Secretary, E. M. Underwood, Failing-McCalman Co.

RICHMOND, VA.—Richmond Credit Men's Association. President, John Landstreet, R. A. Patterson Tobacco Co.; Secretary, Jo. Lane Stern, 1014 Main St.

ROCHESTER, N. Y.—The Rochester Credit Men's Association. President, Warren B. Conkling, Moore-Shafer Shoe Mfg. Co., Brockport, N. Y.; Secretary, Edward Weter, Yawman & Erbe Mfg. Co.

ST. JOSEPH, MO.—St. Joseph Credit Men's Association. F. P. Zilles, Sheridan-Clayton Paper Co.; Secretary, E. D. Plummer, Richardson Dry Goods Co.

ST. LOUIS, MO.—The St. Louis Credit Men's Association. President, E. H. Dyer, Mound City Paint and Color Co.; Secretary, A. H. Foote, 809 Mercantile Bldg.

ST. PAUL, MINN.—St. Paul Credit Men's Association. President, R. A. Durkee, R. A. Durkee & Co.; Secretary, H. W. Parker, Merchants' National Bank.

**SALT LAKE CITY, UTAH.**—The Utah Association of Credit Men. President, Arthur Parsons. Assistant Secretary and Manager, Herbert Van Dam, P. O. Box 419.

**SAN ANTONIO, TEX.**—San Antonio Association of Credit Men. President, Jake Wolf, J. Oppenheimer & Co.; Secretary, G. A. C. Hall, A. B. Frank Co.

**SAN DIEGO, CAL.**—The Credit Association of San Diego. President, J. P. Haddock, Cook-Haddock Co.; Secretary, G. F. Hoff, 841 Fifth St.

**SAN FRANCISCO, CAL.**—San Francisco Credit Men's Association. President, G. Brenner, Elkus-Brenner Co.; Secretary, Ben Armer, 2707 Sacramento St.

**SAVANNAH, GA.**—Savannah Credit Men's Association. President, W. R. Finegan, Rosenheim Shoe Co.; Secretary, C. E. Allen, Sorrell Building.

**SEATTLE, WASH.**—Seattle Credit Men's Association. President Robert R. Fox, Simonds Mfg. Co.; Secretary, J. W. Spangler, Jr., Dexter, Horton & Co., Bankers.

**SIoux CITY, IA.**—Sioux City Bureau of Credits. President, R. M. Baker, 1437

Douglas St.; Secretary-Treasurer, C. N. Lukes, Security National Bank.

**SIoux FALLS, S. D.**—Sioux Falls Credit Men's Association. President, J. P. Adams, Haley & Lang Co.; Secretary, R. J. Cone, Manchester Biscuit Co.

**SPOKANE, WASH.**—Spokane Merchants' Association. President, A. W. Doland, Spokane Drug Co.; Secretary, J. B. Campbell, 610 Empire State Bldg.

**SYRACUSE, N. Y.**—Syracuse Association of Credit Men. President, Howard B. Buell, Syracuse Dry Goods Co.; Secretary, L. John Bergman, Pass & Seymour, Inc., Solvay, N. Y.

**TOLEDO, O.**—Toledo Association of Credit Men. President, J. H. Paddock, The Paddock-Overmyer Co.; Secretary, Lewis B. Hall, 1223 Ohio Bldg.

**WICHITA, KAN.**—Wichita Credit Men's Association. President, Willis Davis, Southwestern Drug Co.; Secretary, F. W. George, Shattuck-George Iron Co.

**YOUNGSTOWN, O.**—Youngstown Credit Men's Association. President, F. E. Hearn, John H. Fitch Coffee Co.; Secretary, W. C. McKain, 607 Stambaugh Building.

## DIRECTORY OF ADJUSTMENT BUREAUS.

Bureaus for the adjustment of insolvent estates are operated in the following cities, and the authority and supervision of their local Associations of Credit Men. All are affiliated branches of the National Association of Credit Men. Address all communications on Adjustment Bureau matters to the parties named:

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**LITTLE ROCK, ARK.**—Frank T. Longley, 219½ Main Street.

**LOS ANGELES, CAL.**—H. B. Rossiter, 600 Equitable Savings Bank Building.

**LOUISVILLE, KY.**—Walter Walker, United States Trust Co. Building.

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**PITTSBURGH, PA.**—A. C. Ellis, 716 Frick Building.

**PORTLAND, ORE.**—R. L. Sabin, 1 Front Street.

**RICHMOND, VA.**—Jo. Lane Stern, 1014 Main Street.

**ROCHESTER, N. Y.**—(Manager not appointed.) 1008 Granite Building.

**ST. JOSEPH, MO.**—Sidney Beery, German-American Bank Building.

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